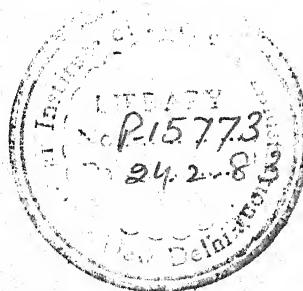


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NO. 1

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**A Private Communication**

<sup>20</sup>Information in a letter to the author from Professor Ravan McDavid of the University of Chicago, June 23, 1963.

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<sup>21</sup>Mohinder Singh and R.N. Sharma, *Civil Service and Personnel Administration*, New Delhi, IIPA, 1981, p. 81-82.

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<sup>27</sup>Oroom Kumar Ghosh, *op. cit.*, p. 115.

## **EDITORIAL**

THE current issue of the journal opens with an article by Gregory Stanton where he discusses the policy of the Government of India as regards the reservation of government jobs and admissions to higher education institutions as interpreted by the Supreme Court and the State High Courts and draws some lessons between the Indian experience and that in the United States. In principle, as he points out at the very beginning, the two countries have legislated in the respective contexts to bring about equality between different communities in an obviously unequal society. The two countries seek to do this by legislating in favour of a preference by law for the discriminated or deprived sections in job opportunities and university admissions against the more privileged. This is as it should be because both the countries have proclaimed an egalitarian society as their objective which they try to bring about by constitutional and other legal means open to them. By experience, however, both the countries find that their objective has not been realised: the weaker sections continue to be handicapped despite the constitutional and other legal as well as administrative aids provided for them. It is also the experience of both the countries that judicial interpretations of the constitutional and other legal provisions have come to differ

so widely in the course of years that the simple objective of all their legislative solicitude to the weaker sections for equal treatment seems to have been obscured. The burden of Stanton's article is not so much the constitutional and legal provisions by themselves, as the application of these provisions in individual cases challenged in the courts of law of the two countries and the reactions of the courts to the legal provisions left to their interpretation. In the Indian instance, as Stanton points out, this has resulted not only in differences between the State High Courts and the Supreme Court but also between different Benches of the Supreme Court itself. The US experience is not much different either. The challenges and counter challenges before the courts by the affected communities and the differing judgements by the courts have led to a number of issues and dilemmas which have left the societies of both the countries groping still to obtain that sense of equality for which the two countries originally made the protective clauses in their respective legal enactments.

*Per se* Stanton sees a difference between the Indian and US approach against discrimination. According to him, this arises largely from the differing setting of the two societies and their different cultures. In the Indian context, the individual, whose rights are to be protected, is seen as part of a social milieu dominated by considerations of caste which means that the disabilities are not qualities added by society just as poverty, etc. Also, the disabilities are by concept governed by the affected person's group affiliation, that is, caste. It is not that Indian constitutional law does not recognise the concept of the individual, but, says Stanton, it co-exists with the traditional group concept. In America, on the other hand, equality is treated as an individual right, the group affiliation not featuring at all. In the result, there have been very few court decisions there supporting group preference in protection pleas; group preferences have been justified only as weighted individual treatment. One obvious difficulty arising out of any group claim for protection is what has come about in India, namely, the most 'forward' of the 'backward' castes taking advantage of the reservation provisions, leaving alone the very poorest and the most needy. This point to which Stanton draws attention is well understood in India itself and has been widely made use of by the anti-reservationists in the recent developments. But what is ironical is that even in the US where the individual and the class is sought to be protected, the result of court decisions has not been towards resolving the tangled claims; in fact, the US has now to deal with even 'reverse claims' from the privileged whites against the discriminated blacks in the course of seeking justice.

Several aspects of Stanton's discussion are further taken up by R. B. Jain in his review article, towards the end of the journal, where he reviews three books on the topic, two from the US and one from India. Jain analyses the contents of the books and, citing several judicial decisions and other sources, supplements Stanton's article in laying bare the problems in the two countries regarding protective reservation and the apparent drift in both of them away from the original intentions of the respective constitutions. Jain's essay brings into sharp focus the various sociological, policy and constitutional arguments for and against protective reservations in both the countries and suggests certain steps that need to be taken for a fresh multi-faceted review of the existing policies.

In his article dealing with planning and management for health, J.P. Gupta raises some fundamental issues, with the Asian countries particularly in mind, because of his experience in the area. Radical changes in health planning and management are called for, according to him, because the very concept health in relation to development has changed; health is no more just an item of 'consumption', as it used to be thought of at one time, but a positive 'investment'. Health, again, is not mere absence of disease and infirmity but a positive attribute to individual and social well-being, measurable in accepted terms. There has also been a perceptible change in the 'quality' versus 'quantity' dilemma of health services, turning sharply from the best services being made available to a relatively affluent section of the society to a minimum standard of medical care made available to the largest number possible. The connected issue of urban medical service versus the rural has also now been resolved notably in favour of the latter.

According to the writer, there has been change in perception even in regard to the planning, implementation and evaluation of medical services in a given society whereby grandiose planning dimensions are being given up in favour the modest objectives of proper implementation and the strengthening of the medical service delivery system. In the administration of health policy also the changed trend is to fix an anticipatory responsibility on the health department personnel rather than a 'fire fighting' role. Connected with it is also the fresh outlook among health planners that a mere increase in hospital beds may not bring about a rise in the standard of people's health.

The crucial point in Gupta's article, however, is his view that all health improvement problems need to be tested for success on ensuring the participation of the community fully, though, as Gupta adds, there is no sure method of achieving this evolved so far. Only the approaches can perhaps be indicated—education, persuasion

and, if necessary, coercion. As Gupta concedes, each has its own implications to different levels of society and has to be worked out with appropriate care and attention to details. Another testing ground is in convincing the concerned community that the health scheme drawn up is indeed for it.

If Gupta, in the previous article, had raised the point of radical changes in the concept and administration of community health and health implementation, Nef and Dwivedi in their article 'Development Theory and Administration: A Fence Around an Empty Lot' does the same questioning regarding the concept of development and development administration and discuss the process by which the accepted norms and practices have come to be discarded and the search started for yet unknown contours of these two terms. In fact, according to them, the entire social theory built up over the last century is in question now, with the empirical evidence of development in the third world countries differing sharply from the accepted assumptions and methodology. The images of development in the sixties, following the Marshall Plan model, were based on: modernisation which meant uncritical acceptance of western technology; growth in GNP automatically led to welfare; the quantitative economic change would be followed by qualitative change; development meant change from the traditional agrarian stage to the modern industrial stage after the interruggnum of a 'take off' stage; all societies had to go through this one and only transition course; and that all such transition should also have the features of a model. For instance, the basic assumption of development administration was the identity of bureaucracy with 'rational' administration; all problems of development just meant improved management and proper organisation; modern 'know-how' was value free and culturally neutral and institution transplantation would surely produce results in the developing countries similar to those in the developed.

These and a host of other assumptions have now been subjected to severe challenge not only in the developing countries, disillusioned after two decades of development, but also in the developed countries, equally disillusioned after the same two decades of development. The net result is that today development is neither round the corner nor can it be taken for granted; economic growth has not led to reduction of social tension; planning in several countries has changed from the elite civil service to a body of bureaucrats in uniform, not to people's participation, as it was envisaged would happen once society moved forward. In short, the strategy of development itself seems to have gone wrong.

The question as to who—the developing or the developed coun-

tries—are worse off as a result of this strategy failure may be debated for long but this is likely to be pointless if we assume, as the writers do towards the close of their article, that though we may be in the first, second or the third world, according to definition, we are in one planet where the margins of poverty and privation get blurred in the universal slough that may condemn us to live in ultimately if we forget the lessons of history.

Kasbekar at a later stage and Al-Araji still farther in this issue take up some connected points of development and development administration affecting their respective countries/regions. Kasbekar writes about India and Al-Araji about the Arab world and both point out the weaknesses in development strategy pursued in their respective areas. Al-Araji writes about the 'first' order knowledge and the 'second' order knowledge and charges that, by and large, despite differences, the Arab countries have failed to make use of these two orders of knowledge and, therefore, have missed direction and purpose in development activities. Also, he accuses the Arab countries of emulating blindly the strategies and programmes of the western, developed countries and, in the process, of having acquired irrelevant 'first' and 'second' order knowledge. In this connection the writer particularly brings to our notice the Arab universities' curricula for teaching administration, and in training programmes. Based overwhelmingly on what is obtained in the developed countries, these curricula and training course content have little in them reflecting the peculiarities and special needs of the countries where they are to be applied. Also, the Arab students who get trained abroad, try to put to use their specialised knowledge in a setting far different from the sophisticated research/training centres wherfrom they imbibed their knowledge. According to Al-Araji, blind application of advanced administrative techniques such as the PPBS, ZBB, cybernetics, etc., and imitations of various planning models, developed primarily for the advanced countries, have failed when tried to be used in toto in the Arab states. In essence, what Al-Araji calls for is a proper management of knowledge which is a new concern of public administration and which, in turn, should take note of the administrative capacity of the country concerned, and the changes sought through administration should be governed by techniques appropriate to them.

Kasbekar's article on the trends in planning and development in India, starts off after acknowledging the success of both, which is as it should be. But he immediately reverts to the gaps and inadequacies in our developmental effort in demarcated areas where the agencies charged with achieving the objectives have not mastered the relevant techniques. There is a lack of professionalism and

appropriate management norms. He also points out instances of mis-direction of intention. Among areas where any viable solution has eluded the country, he cites the field of industrial licensing, the under-utilising or over utilising the licensed capacity, the problem of sick units, and the labour unrest accompanied by intimidation and violence. Cottage industries, according to him, need increased market openings if they have to grow in output and employment. In agriculture, Kasbekar notes the large gap between the irrigation potential and the actual area irrigated under any major irrigation scheme. Similarly, the requirement of credit by the small farmers is hardly attended to. This, in turn, stops the small farmer from adopting better technology in farming. Kasbekar puts it all as mainly a problem of adopting administration to the diverse needs of planned development and this, according to him, calls for new kinds of government servants and departments, both with a lot of professionalism thrown in.

Monitoring is a widely accepted management technique adopted both in private as well as governmental projects. In essence, monitoring is watching the progress of a project against the targets of time and resources. This is done through periodic reporting during the project implementation stage identifying shortfalls and lags in other areas. In other words, monitoring is a 'watch dog' function keeping constant touch with an operation and giving a warning signal the moment anything unexpected happens or when anything deviates from its normal expected course. Sangwan, in his article on the subject, gives the concept, need, and applicability, especially in the development programmes in India, and lays down the steps that any project should take in adopting the monitoring system. Among other things, monitoring calls for a regular feedback, its processing, and analysis so that the actual performance in a project at a given time can be compared with the planned course of action so as to bring out the magnitude of the deviations. A data bank will be necessary for the storing of information for future use.

It is Sangwan's opinion that monitoring is applicable to different projects within the organised sector as also in the dispersed sector, but its wider use is subject to a better system of data collection, especially in the agriculture developmental programmes. Similarly, Sangwan envisages the possibility of adopting the monitoring system to DPAP, SFDA, FWP, NREP, etc., provided, of course, the requisite information is scientifically gathered and analysed at a central nodal point. To substantiate his claim, Sangwan has given, at the end of his article, a list of areas where monitoring can be applied, along with the periodicity of the requisite reporting system, which includes the agriculture, rural and allied sectors.

Away from planning, development and connected areas of discussion, G. B. Sharma in his article on the political rights of public servants under democratic states, analyses the prevailing practice in seven countries, namely, Australia, Canada, W. Germany, France, India, the UK and the USA. He confines himself to four significant aspects of political rights of civil servants in these countries: the right to contest election; the right to freedom of expression; the right to form association or join trade unions; and the right to strike. According to him the entire question of 'neutrality' of public servants is under review in several countries and there is a case in general for more liberalisation of these rights. Among the seven countries discussed, according to Sharma, France is the most liberal and India is the most rigid. Even among the Commonwealth countries listed by Sharma there are variations in this regard in spite of the common legacy that they all had from the British colonial times. Perhaps the differences arise because of the peculiar historical and social conditions obtaining in these countries and as they also have to meet the varying socio-economic and political needs of the people concerned. One lesson that Sharma draws from his analysis is that even in those countries where public servants have significantly larger freedom, there is no threat to the democratic order nor does it portend any political disaster. But the discussion needs further empirical evidence before several of Sharma's points can be generalised, though his exercise in comparative administration, despite one's difference of view point, is sure to stimulate further thought on the topic.

Next, we have two articles in the genre of personal reminiscences. Two public servants discuss their role in the work of two service institutions of which they were a part. Tirumalai writes on his impressions of the Madras Board of Revenue of which he was the first member just before it was abolished. P. R. Dubhashi in the other article describes the successful work of the central task force which he led last year to look into the economy of Assam.

The Madras Board of Revenue has had an eventful existence since its constitution in 1786, almost two hundred years ago. It has had wide ranging functions given to it from time to time and Tirumalai brings out the several details of the Board, its composition, procedures, style of functioning, the Board *versus* the Madras Government, the important personalities connected with the Board, and the pool of expertise that the Board possessed. The Board's usefulness as an intimate part of the Government was no doubt well recognised but it has had its detractors also right from the start. To a large part, the State's administration is still as evolved

by the Board, especially its procedures and practices of land settlement, revenue collection, etc. However, the Board, as several other institutions, had to yield to the change of times and it had to go having been declared so by the political decision-makers and in the changing circumstances. In its time, however, the Board had several success stories to its credit which Tirumalai alludes to during the course of his article and will be of interest to students of public administration.

Dubhashi led the central task force to Assam early in 1980 and despite the several hurdles that the team had to face it accomplished its work within a remarkably short time, much to the satisfaction of all concerned, thanks to the spirit of cooperation evinced by the members and the quality of leadership that the team had. Advance preparation helped the team considerably in its work at the site in Assam and the State Government staff itself was alerted in time so that the visit of the central team could be rendered purposeful. The methodology evolved by the team to do its work can be found useful to other teams with similar tasks.

Can the tax collector ever be accepted in society as a welfare officer? V. K. Gupta raises this question in his article 'The Tax Administrator: Perception and Profile of a Dynamic Role Performance' and answers in the affirmative provided, of course, several requirements or the role change are followed. The primary task of the tax collector is, no doubt, the collection of the maximum due to the government from the taxpayer under the rules. But to stick to this alone, forgetting the other facets of the profile of a tax collector, is to be too orthodox. According to Gupta a tax collector is a PRO, a judge, a legal authority, a legislator, an enforcement officer, a tax educator, a manager-cum-leader, and then a tax collector. In these varied roles the tax collector has to educate himself and orient his attitude towards becoming a welfare officer. A tax collector has certainly to be strict in enforcing tax law but in performing this role he has to keep, at the back of his mind, the reformative and deterrent object of the steps he is taking to enforce tax law. In other words, a tax administrator today has to play a much wider role than at any time before and he has to exert himself effectively in this multi-faceted role for achieving the optimum benefit to the society where he would then be a change agent and not merely a tax collector, in the sense of a railway ticket collector.

The attributes that Gupta expects the tax collector to possess in this changed role are quite a few and it is not always that a tax collector will come up to his standard. But in the present socio-economic context, the tax collector's aim should be clear: to bring about a change both in his conduct and outlook so that he is counted

by the tax paying community more as a counsellor than as a man with a stick.

Hardly anyone disputes the importance of forests in the national economy and we have had more than three decades of forestry development planning. The National Commission on Agriculture assessed the needs for forestry development and asked for consistent planning as part of the country's economic growth. However, Chowdhary, in his article 'New Perspectives on Forestry Development' considers that the effort on the lines indicated by the National Commission has been far from adequate. This is reflected in the shrinkage of the area under forests, which, indeed, is frightening; the shortage of almost all forestry goods and services; and the serious ecological deficiency leading to erosion of the river basins. Chowdhary notes several other consequences of the failure to develop forests. He goes further to give the outlines of a fresh effort in this direction. He first assesses the forestry land and its quality as of today. He then describes the constraints to development, institutional, social, and economic. At the next stage he gives a perspective plan, including financial outlay, and suggests the agencies that should be entrusted with forest development. Chowdhary's perspective, in some areas of development, covers even up to 100 years and his investment estimates also run into thousands of crores of rupees. His estimate of the minimum annual outlay is about Rs. 1000 crores. Obviously, there will be differences of approach and the figures that he has given may also be disputed. But there can be no second opinion that we need a well defined forest policy within total national development. There are gaps in the forestry planning process in this country, insufficient assessment of the demand for forest products and services, and lack of detailed economic analysis of management alternatives. These need to be looked into closely to create the necessary base for the development of the forestry sector—protection forestry, social forestry, as well as production forestry. The implications to the constitutional relationship between the Centre and the States in respect of a forest development plan requires to be studied as also the need of involvement of the people in the conservation schemes. Altogether Chowdhary's attempt is to force the pace of development of the country's forest resources and to stimulate people's participation for the plan to succeed.

The need to take a fresh look at the afforestation policy as part of the drought prone areas programme (DPAP) and the significance of involving the people in forest revival are two of the several observations by Satish Kumar in his article 'DPAP: Concepts and Approach—the Rajasthan Experience'. According to the writer, at least three non-desert DPAP districts in Rajasthan have nearly 50

per cent of the area declared as government waste land and he feels that at least 25 per cent of this area can be brought under forestry and pastures. His idea of popular participation, at least in Rajasthan, is to work out a scheme by which the waste land so declared by the government may be allotted to the people of the area on the condition that they would raise only trees and pastures.

Satish Kumar has traced the different facets of the DPAP programme since its inception about a decade ago and has drawn up a balance sheet of the programme's achievements but, like Kasbekar in his article referred to earlier, Satish Kumar also feels that the attempt so far is not equal to the requirements and demands of the affected people. One criterion he mentions for measuring the success of the programme in a State like Rajasthan is, (a) when the cattle and human population has not to shift to other areas for survival and (b) if the basic needs like drinking water and fodder are met near about the villages even in a bad year. This, of course, is a modest criterion. The DPAP programme has several other development items in its fold aiming at a totally integrated area development as a permanent solution to the problem of the DPAP districts. As several other writers have pointed out in their articles in this issue on developmental work in this country, the objective of the DPAP scheme is not in doubt. What is under scrutiny is the approach and strategy adopted by the concerned government agencies in translating the objective into action. Here, as Satish Kumar points out, there is considerable scope for better record.

—Editor

## **Three Concepts of Equality: Compensatory Discrimination in Indian and American Constitutional Law**

**Gregory H. Stanton**

**T**HE CONSTITUTIONS of both India and the United States of America are equalitarian documents. The fourteenth amendment of the US constitution guarantees the equal protection of the laws to all, regardless of race, colour, religion, or national origins. Article 14 of the Indian Constitution guarantees equality before the law and equal protection of the laws to all persons. Articles 15 and 16 prohibit discrimination in public employment and other activities of the state against any citizen on grounds only of religion, race, caste, sex, or place of birth.<sup>1</sup> These equalitarian guarantees

<sup>1</sup>*Constitution of India*, Part III Fundamental Rights, Right to Equality.

Art. 14. *Equality before law* — The State shall not deny to any person equality before the law or the equal protection of the laws within the territory of India.

Art. 15. *Prohibition of discrimination on grounds of religion, race, caste, sex or place of birth.*

- (1) The State shall not discriminate against any citizen on grounds only of religion, race, caste, sex, place of birth or any of them.
- (2) No citizen shall on grounds only of religion, race, caste, sex, place of birth or any of them, be subject to any disability, liability, restriction or condition with regard to
  - (a) Access to shops, public restaurants, hotels, and places of public entertainment; or
  - (b) the use of wells, tanks, bathing ghats, roads and places of public resort maintained wholly or partly out of State funds or dedicated to the use of the general public.
- (3) Nothing in this article shall prevent the State from making any special provision for women and children.
- (4) Nothing in this article or in clause (2) of article 29 shall prevent the State from making any special provision for the advancement of any socially and educationally backward classes of citizens or for the Scheduled Castes and the Scheduled Tribes.  
[4 inserted by the Const. (1st Am) Act, 1951, w.e.f. 18.6.1951]

Art. 16. *Equality of opportunity in matters of public employment*

(1) There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State.

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are spelled out in regard to education in Article 29(2) of the Indian constitution, which says:

No citizen shall be denied admission into any educational institution maintained by the state or receiving aid out of state funds on grounds only of religion, race, caste, language or any of them.

In the US racial discrimination in educational and employment programmes funded by the federal government was outlawed by titles VI and VII of the US Civil Rights Act of 1964.

No person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

Yet the Indian and American societies remain stratified into unequal castes and races. Both societies are the historic products of systematic inequality. In the US, the median family income of blacks is only sixty per cent that of whites.<sup>2</sup> Although the blacks represent 11.5 per cent of the population, they are only 1.2 per cent of the lawyers and judges, 2 per cent of the physicians, 2.3 per cent of the dentists, 1.1 per cent of the engineers, and 2.6 per cent of the university professors.<sup>3</sup> Inequality between castes in India is pervasive. In the most extensive survey of castes ever done in an Indian state, the Karnataka Backward Classes Commission found that

(Continued from previous page)

- (2) No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect of, any employment or office under the State.
- (3) Nothing in this article shall prevent Parliament from making any law prescribing, in regard to a class or classes of employment or appointment to an office under the Government of, or any local or other authority within, a State or Union territory, any requirement as to residence within that State or Union territory prior to such employment or appointment.
- (4) Nothing in this article shall prevent the State from making any provision for the reservation of appointments or posts in favour of any backward class of citizens which, in the opinion of the State, is not adequately represented in services under the State.
- (5) Nothing in this article shall affect the operation of any law which provides that the incumbent of an office in connection with the affairs of any religious or denominational institution or any member of the governing body thereof shall be a person professing a particular religion or belonging to a particular denomination.

<sup>2</sup>U.S. Department of Commerce, Bureau of the Census, Current Population Reports, Series P—60, No. 107, p. 7(1977) (Table 1).

<sup>3</sup>U.S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States 25, pp. 407-408 (Table 662) (based on 1970 census).

members of the scheduled castes (untouchables) have a per capita income that is only fifty-five per cent of the State average. Though they make up 13.14 per cent of the population, they possess but 8.31 per cent of the class IV and above government jobs. Their literacy rate is one-fifth of the State average. Their rate of graduation from secondary schools is one-third of the State average. Brahmins, in contrast, though only 4.23 per cent of the State population, hold 8.23 per cent of the upper grade State jobs, have a literacy rate of 93.8 per cent compared to the State average of 20.6 per cent, have a secondary school graduation rate more than six times the State average, and hold more than 25 per cent of the seats in the State's medical colleges.<sup>4</sup>

The Indian Government provides preferential treatment to scheduled castes and tribes and other backward classes in many government programmes, in employment, and in education. These preferences have often taken the form of 'reservations'—minimum quotas in government jobs and places in educational institutions that must be filled by members of disadvantaged groups if qualified members of such groups apply for the positions. Since 1961, the US Government has required affirmative action on the part of government agencies and contractors. They must actively recruit black and other minorities and encourage their promotion.<sup>5</sup> Thousands of educational institutions and employers have undertaken such affirmative action programmes.

Whether preferential treatment for disadvantaged individuals or groups can be reconciled with 'equality before the law' and 'equal protection of the

<sup>4</sup>Report of the Karnataka Backward Classes Commission (L.G. Havanur, chairman), in five volumes, 1975.

The table below summarises the data for four upper castes compared with the scheduled castes :

Caste	Per cent of state population 1972	Per capita annual income 1972 (in rupees)	Per cent of state employees above class IV, 1972	Per cent literacy 1951	Secondary school leaving certificate passes per thousand in caste population, 1972
Brahmin	4.23	888	18.30	93.8	10.33
Lingayat	14.64	1200	19.90	29.8	2.33
Maratha	3.45	977	3.15	29.3	2.17
Vyshya	0.59	967	0.88	70.8	6.54
State average	—	703	—	20.6	1.69
Scheduled castes	13.14	389 (approx.)	8.31	4.6	0.56

<sup>5</sup>John F. Kennedy was the first President to call for "affirmative action in Executive Order 10925 (1961) ordering federal contractors to take such steps.

laws' depends on the concept of equality used by those who judge. In this article, I shall define three concepts of equality that are commonly used, and too often confused, by courts in the US and in India. The three concepts have very different consequences when applied to programmes that affect the disadvantaged. I will show how the three concepts have been used in several important decisions concerning compensatory discrimination in India. I will then turn to the US Supreme Court's decision in the Bakke Case for a comparative look at how the three concepts were used in the several opinions in that case. In the comparison, I will show that the word 'equal' has been used in India in subtly but importantly different ways from the American usage, ways adapted to the Indian constitution and culture.

#### CONCEPTS OF EQUALITY

Three concepts of equality have been used in the Indian and American courts.

Formal, individual equality is the type of equality usually intended as the norm in the civil and criminal courts. Formal equality means that each individual stands before the bar of justice without regard for the substantial differences that may inhabit the common human form. An individual's wealth, intelligence, good looks, athletic ability, race, or caste make no difference to the court. The only standard to be applied is whether the individual fits the classification for which the judgment is being made. Did this individual intentionally and without legal justification kill X? If he did, regardless of whether he is black or white, high or low caste, he committed murder and is to be punished appropriately. Fixed standards of punishment apply formal individual equality to sentencing as well. (The modern trend in sentencing is, however, towards the second type of equality, which will be discussed later.) Formal, individual equality means that all people will be judged by a universal standard. Whether they fit the standard or not is all that will determine the outcome of the decision.

Applied to situations of substantial inequality, formal equality does not take the substantial inequality into consideration. All that it decides is the universal standard. If the standard determined for entry into a college is a score of 80 out of 100 on an aptitude examination, whether the individual who has applied is a black or a white, a brahmin or a harijan, will make no difference. If he makes the requisite score, he will be admitted. If he does not make it, he will be rejected. Formal, individual equality is the type of equality usually desired by those who advocate selection by 'merit' alone. It is the standard of those who believe that equal protection of the laws means that the government must be 'colorblind'.

Weighted individual equality or substantial individual equality allows the substantial differences between individuals to be taken into consideration in applying the standards of classification. Again suppose that the score

normally required for admission to a college is 80. Experience has shown that applicants who come from a deprived background will be unlikely to make the requisite score. Therefore a system of handicaps will be used, a system of compensatory preferences. Those from the deprived background need only score a sixty to be admitted. The standard to be applied may thus be particularised to the individual's substantial content. Weighted individual equality nevertheless attempts to take each individual case individually. It does not allow group quotas or reservations. The unit to be dealt with is the individual. If no member of a group meets the standards set, no one from that group will be admitted. A common metaphor for this concept of equality is the handicap horse race. A horse known to be faster than others will be made to carry a handicap weight. If that horse still wins the race, the purse will still be his. There are no quotas or reservations guaranteeing entry into the winner's circle, just weighted advantages accorded to the individual participants in the competition. The important feature of this concept of equality is that although weights assigned to individuals may be determined by their membership in a particular class (race or caste), the competition remains a competition between individuals. As I shall show, it is this concept of equality that was endorsed by Justice Powell in the Bakke decision and it is this concept that is the main rival to the concept of formal individual equality in the United States.

Proportional group equality is the concept of equality that lies behind systems of quotas or reservations. In this concept the key unit is not the individual. It is the group. The individual is granted preferential treatment as a member of a group if the group is shown to be under-represented or systematically unable to compete on a formally equal basis with other groups for the job (or other highly valued thing) being sought. Standards of selection are applied particularistically, not universalistically. An individual only has to compete against other members of his group, not against a universal field. The objective of those who apply the standard of proportional group equality is to equalise the distribution of benefits between groups. It is group-based, rather than individual based, distributive justice. Individuals may benefit, but only as members of groups.

Proponents of proportional group equality often advocate it to rectify unequal distribution of jobs, etc., that is the result of systematic discrimination on a group basis. It is a group approach to a group problem. In America, supporters of this approach point to the long history of systematic discrimination against blacks and argue that the surest way to bring about proportional group equality is to institute quotas in hiring and college admissions until blacks obtain their proportionate share of the society's benefits. In India proponents of reservations argue that distribution of societal benefits has been based on caste membership for millenia, and the best way to rectify the systematic inequality in India is to redistribute the benefits to the poor and the backward on a caste group basis.

## JOB RESERVATION UNDER INDIAN CONSTITUTION

The Constituent Assembly that drafted the Indian constitution included Articles 16(4), 46, 330, 332, 335, 340, 341, and 342 to enable the government to grant special preferential treatment to scheduled castes and tribes and other backward classes. Article 16(4) provides that Article sixteen's prohibition on discrimination in employment shall not prevent such preferences. "Nothing in this Article shall prevent the state from making any provision for the reservation of appointments or posts in favour of any backward class of citizens which, in the opinion of the state, is not adequately represented in the services under the state."<sup>6</sup> In *State of Madras v. Champakam Dorairajan*<sup>7</sup> the Supreme Court held that the provision allowing reservations in employment did not extend to educational institutions. Soon thereafter, Parliament passed the Constitution First Amendment Act adding clause 4 to Article 15. "Nothing in this Article or in clause (2) of Article 29 shall prevent the state from making any special provision for the advancement of any socially and educationally backward classes of citizens or for the scheduled castes and scheduled tribes."<sup>8</sup> Most of the Indian cases concerning reservations have been concerned with how to reconcile Articles 16(4) and 15(4) with the guarantees of equality and non-discrimination in the rest of Articles 14, 15, 16, and 29.

In Madras, a quota system had been used to select members of all caste groups for public employment. In *Venkataramana v. State of Madras*<sup>9</sup> the Supreme Court struck down the quota system and held that only 'backward classes' (Article 16(4)) could receive reservations. The question remained just who the 'backward classes' are.<sup>10</sup>

Under Article 340 of the constitution, the Central Government appointed a Backward Classes Commission in 1953 to "determine the criteria to be adopted in considering whether any sections of the people... (in addition to the scheduled castes and tribes) should be treated as socially and educationally backward classes; and, in accordance with such criteria, to prepare a list of such classes...."<sup>11</sup> In the parliamentary debates preceding the appointment of the Commission, it seems clear that most people thought the list of backward classes would consist of named castes and communities.<sup>12</sup> The Commission

<sup>6</sup>*Constitution of India*, Article 16(4).

<sup>7</sup>AIR 1951 SC 226. See also AIR 1951 Mad., p. 120.

<sup>8</sup>*Constitution of India*, Article 15 (4).

<sup>9</sup>AIR 1951 SC. p. 229.

<sup>10</sup>For a thorough discussion of this question see Marc Galanter, "Who are the Other Backward Classes", *Economic and Political Weekly*, Vol. XIII, Nos. 43 & 44, October 28, 1978, pp. 1812-1828.

<sup>11</sup>*Report of the Backward Classes Commission*, Vol. I, p. 2, 1955. (Kaka Kalekar, chairman).

<sup>12</sup>Majumdar, Nabendu Dutta, "The Backward Classes Commission and Its Work" in *Social Welfare in India*, Government of India Planning Commission, 1960, p. 219.

was "eager to avoid caste" but "found it difficult to avoid caste in the present prevailing conditions".<sup>13</sup> The units that the Commission designated as 'backward classes' were for the most part castes and sub-castes. Thus the Commission adopted a group approach to backwardness, one well suited to the proportional group concept of equality. Yet the chairman, in his introduction to the Commission report, virtually repudiated the group nature of the report's conclusions and said: "It would have been better if we could determine the criteria of backwardness on principles other than caste."<sup>14</sup> He believed that designation by caste would perpetuate caste divisions. He advocated instead universalistic criteria of backwardness based on residential, economic and educational measures of *individuals*. "The nation has decided to establish a classless and casteless society, which also demands that backwardness should be studied from the point of view of the individual and, at the most, that of the family. Any other unit will lead to caste or class aggrandisement. Let us therefore try to find criteria of backwardness that could eschew ideas of caste or class."<sup>15</sup> In contradiction to the Commission's lists of castes, the chairman adopted a weighted individual concept of equality. This contradiction was not lost on the Indian Parliament and the caste based lists of the main body of the report were roundly condemned when they were laid on the table of both the Houses of Parliament. The Home Minister led the criticism of the report.<sup>16</sup> The recommendations of the Commission were never put into effect. The definition of who were the backward classes thereafter fell largely on the State Governments.

The State of Mysore (now Karnataka) had instituted preferential hiring for members of the 'backward communities' as early as 1921. All castes except brahmins were designated 'backward', 95 per cent of the people in the State. Mysore's system of preferences had become a complete system of reservations by 1960, when the High Court of Mysore heard a challenge to the government orders of 14 May, 1959 and 22 July, 1959 reserving 65 per cent of the seats in educational institutions to all castes but brahmins, baniyas, and kayasts. Over 90 per cent of the population was thus classified as backward. Percentages were set for groupings of castes and unfilled places for a grouping could not be competed for by members of other castes. In *Ramakrishna Singh Ram Singh v. State of Mysore*<sup>17</sup> the High Court struck down the government order because it was based on no intelligible principle for choosing the castes. The order's designation of over 90 per cent of the population as 'backward' was ruled a 'fraud on the constitution.' The Court was, however, of the opinion that caste was a valid means of

<sup>13</sup>Report of the Backward Classes Commission, Vol. 1, p. 41.

<sup>14</sup>Ibid., p. xiv.

<sup>15</sup>Ibid., p. xiv.

<sup>16</sup>Ministry of Home Affairs, Memorandum on the Report of the Backward Classes Commission, Delhi, Government of India Press, 1956, p. 34.

<sup>17</sup>AIR 1960 Mys., p. 338.

classification. S.R. Das Gupta, C.J. wrote "I am also unable to accept the contention of Mr. Venkataranga Iyengar that backward classes cannot be determined on the basis of castes, and that they must always be determined on territorial, economical, occupational or some such basis.... A class may correspond to a body of persons grouped together on the basis of their castes. In my opinion, therefore, the competence of the Government to treat certain castes as backward classes cannot be ruled out."<sup>18</sup> The Court suggested that an intelligible basis for determining the backwardness of a caste would be the percentage of literate members of the caste. It noted that the Mysore Government order included many castes with literacy rates well above the State average of 13 per cent: lingayats (18.8%), Rajputs (33.3%), Muslims (25%), Vaisyas (40%), and Jains (33.3%) for example. The Court observed that the really backward classes did not benefit much from the Government order because they were outcompeted by such groups. Inclusion of such 'forward' groups made their designation as 'backward' under Articles 16(4) and 15(4)—a fraud on the Constitution.

It should be noted that the word 'caste' can mean two things. It can refer to a corporate group. And it can refer to a rank. In the minds of most Indians, the two meanings always go together. Determining backwardness 'on the basis of caste' (meaning a group rank) however is distinguishable from determining that a caste (a corporate group) is backward. The determination in the latter case could be made by many criteria—literacy, income, land ownership, and representation in government services, for example. The courts in India often confuse the two meanings of caste. The Mysore High Court in *Ramakrishna Singh* seems to use both senses of the word, allowing the determination of backwardness to be made by caste rank and allowing the unit declared backward to be a caste group.<sup>19</sup> Though the Court threw out the Mysore backward classes list, except for the reservations for scheduled castes and scheduled tribes, it did not rule out proportional group equality.

The Court did rule against the compartmentalisation scheme used in Mysore. The castes were arranged in fourteen groups with from two to over 100 castes in each group. A quota was assigned to each group ranging from 1.2 per cent to 8.5 per cent of the seats in the colleges. Each group was allowed to compete for only its quota. The Court held that this compartmentalisation discriminated against backward castes in one group who could not compete for seats in the quota for another group. The Court also observed that the groups were so arranged that one truly forward caste was in each group and that the forward caste would get the lion's share of the seats reserved in its category. The truly backward castes thus did not benefit.

<sup>18</sup>AIR 1960 Mys. 338, p. 345.

<sup>19</sup>For this distinction, I am indebted to Galanter, "Who Are the Other Backward Classes", *Economic and Political Weekly*, Vol. XIII, Nos. 43 & 44, October 28, 1978, p. 1817, and to Havanur, *Report of the Karnataka Backward Classes Commission*, 1975, at Vol. I, p. 71.

The 'lion's share' problem is one of the greatest difficulties with any system of reservations. Even if there are no caste groupings as in *Ramakrishna Singh*, the problem arises with individuals in a caste designated as backward. The most forward of the 'backward caste' are the most likely to take the reserved seats. Thus, reservations do not necessarily help the very poorest and the most needy.

The Mysore Government responded to the *Ramakrishna Singh* judgment by appointing the Mysore Backward Classes Committee with Dr. R. Nagan Gowda as chairman. The Committee was to advise the Government on the criteria for determining the educational and social backwardness of the backward classes. In its interim report, the Committee applied a two pronged test: lower than average literacy and lower than average representation in government service. The units designated as 'backward' continued to be castes (as corporate groups). 168 castes and communities were so designated, comprising 35.34 per cent of the population. The literacy test excluded two politically powerful castes from obtaining the benefits of reservations. In the Government order that followed on June 9, 1960, these groups, the lingayats and vokkaliga bhunts, were omitted from the list of 'backward classes.' When they challenged the order in *S.A. Partha v. State of Mysore*<sup>20</sup> their exclusion was upheld. But the order was quashed because it added unfilled scheduled castes and scheduled tribes seats to the seats reserved for other backward classes, rather than throwing them back into the general 'merit' pool. Such compartmentalisation was held to violate the rights of applicants to the merit pool.

The Nagan Gowda Committee made its final report on May 15, 1961. It shifted its test of educational backwardness from literacy to the number of high school students per thousand in the community's population. The State average was 6.9 per thousand. All castes below this average were declared backward. Those less than half the State average were declared 'more backward'. For social backwardness, the Committee chose to use caste rank as the test of backwardness, but it never seemed to actually apply this test. For government posts they added the test of representation in government service. On all the lists, lingayats and bhunts continued to be excluded, since they were above the State average by every test.

The lingayats and bhunts finally squeezed back onto the list of 'backward classes' in the new government order that followed on 10 July, 1961, even though they were above the averages set by the Nagan Gowda Committee. Fifteen per cent of seats were reserved for scheduled castes, 3 per cent for scheduled tribes, and 30 per cent for other backward classes. The list continued to be drawn with caste groups as the units. The percentage of seats reserved was increased to 50 per cent for other backward classes by a further government order on 31 July, 1962, making a total reservation of 68 per cent.

<sup>20</sup>AIR 1961 Mysore, p. 220.

By including lingayats, bhunts, and ganagas, the Government Order brought the total backward classes to 74 per cent of the population plus 14 per cent for scheduled castes and scheduled tribes. This 88 per cent total came very close to the huge list of backward classes struck down in *Ramakrishna Singh*. The 68 per cent seat reservation was even larger than the 65 per cent in *Ramakrishna Singh*.

Advocate Venkataranga Iyengar (whom I interviewed for this article) filed yet another challenge. The result was that the most important decision of all, *M.R. Balaji v. State of Mysore*,<sup>21</sup> was decided by the Supreme Court on 28 September, 1962.

Six applicants to medical college and seventeen applicants to engineering college filed writ petitions contending that they were not admitted because of the excessive and irrational reservations for backward classes in the government order. Candidates from backward classes with lower scores on their examinations were admitted instead of the petitioners. The petitioners contended, and the Court held, that the order was invalid because ‘the basis adopted by the order in specifying and enumerating the socially and educationally backward classes of citizens in the State is unintelligible and irrational and hence outside Article 15(4).’ The Court also held that the extent of the reservation was unreasonable and a fraud on the power conferred by Article 15(4). The Court reasoned that 15(4) is an exception to 15(1) and 29(2) and so it must not be interpreted so as to nullify the rights guaranteed to all citizens by those Articles. Reservations for castes at or only slightly below the State average in education (the lingayats, bhunts, and others) could not be considered reservations for truly ‘backward classes’. To be a backward class, a social group must be ‘in the matter of their backwardness comparable to scheduled castes and scheduled tribes.’<sup>22</sup> Making reservations to benefit nearly 90 per cent of the population was not what the constitution makers intended by Article 15(4). Similarly, reservation of 68 per cent of the medical and engineering college seats was so excessive as to subvert the purpose of 15(4). Reservations under 15(4) should by and large not be for more than 50 per cent of the seats.<sup>23</sup> Any more would interfere with the equal rights of those competing on merit. Those for whom the reservations may be made must be “classes of citizens whose average is well or substantially below the State average.”<sup>24</sup>

The Supreme Court examined the criteria used by the Nagan Gowda Committee for designating classes as backward and criticised the Committee’s use of caste (meaning in context, caste rank) as its sole determinant of social backwardness.

<sup>21</sup>AIR 1963 SC, p. 649.

<sup>22</sup>*Ibid.*, p. 658.

<sup>23</sup>*Ibid.*, p. 663.

<sup>24</sup>*Ibid.*, p. 661.

The Court praised a Maharashtra scheme that used income as the criterion for backwardness, but the Maharashtra income test had in fact been adopted for distributing scholarships. (Seats in Maharashtra medical and engineering colleges continued to be reserved for backward classes made up of caste and communal units, a fact not noted by the Court.) The *Balaji* Court left caste rank as one possible measure of backwardness, but the Court held that caste rank could not be used as the *only* measure as it found the Nagan Gowda Committee to have done.

The Court's failure to distinguish the rank meaning of caste and the meaning of caste as a corporate group has probably led to most of the confusion about the opinion. But a careful reading shows that the Court meant only to prohibit the sole use of caste rank as a measure of backwardness. It was dubious about caste groups as units, but did not actually prohibit their use.

The group of citizens to whom Article 15(4) applies are described as classes of citizens, not as castes of citizens... In dealing with the question as to whether any class of citizens is socially backward or not, it may not be irrelevant to consider the caste of the said group of citizens. In this connection it is however necessary to bear in mind that the special provision is contemplated for classes of citizens and not for individual citizens as such, and so though the caste of the group of citizens may be relevant, its importance should not be exaggerated. If the classification of backward classes of citizens was based solely on the caste of the citizen, it may not always be logical and may perhaps contain the vice of perpetuating the castes themselves.<sup>25</sup>

It is clear that the Court would prefer a universalistic criterion of backwardness, but it upheld the use of reservations. It pointed out that the quality of educational institutions will suffer if admissions are unduly liberalised, but added: 'that is not to say that reservations should not be adopted. Reservation should and must be adopted to advance the prospects of the weaker sections of society; but in providing for special measures in that behalf care should and must be adopted to advance the prospects of the weaker sections of society; but in providing for special measures in that behalf care should be taken not to exclude admission to higher educational centres to deserving and qualified candidates of other communities.'<sup>26</sup>

The Court struck down the compartmentalisation of reservations into categories for the 'backward' and the 'more backward' with one group unable to compete for places reserved for the other. The Court's reasoning that this denied equal protection was similar to that in *Ramakrishna Singh*.

<sup>25</sup>AIR 1963 SC 649, p. 659.

<sup>26</sup>*Ibid.*, pp. 662-663.

What concept of equality was used in the *Balaji* judgment? The problem with the judgement is that several concepts were used simultaneously. In its clear preference for merit based admissions, the Court tended towards formal, individual equality. But it recognised the problem of backwardness and would allow reservations for backward classes, which it distinguished from backward castes.

If the decision is read to allow caste groups to be used as the units designated as backward, then the Court can be said to have tolerated a proportional group equality. But the Court's use of 'caste' generally referred to caste rank and not to caste groups as units. The Court seemed to prefer a universalistic criteria of backwardness that would be as applicable to individuals as to groups. The Court left the question of whether a 'class' can be made up of caste groups unresolved. In later judgements it attempted to 'clarify' the *Balaji* decision in such a way as to show its preference for weighted individual equality, thus throwing *Balaji's* toleration of proportional group equality into doubt.

In response to the *Balaji* decision, the Mysore Government abandoned caste in both its group and its rank senses in designating backwardness. A two-fold test was substituted, classifying as backward all individuals whose families earned less than Rs. 1,200 per year (the State average was Rs. 1,330) and whose parents' occupations fell into any of the following categories: (1) actual cultivator; (2) artisan; (3) petty businessman; (4) inferior services (*i.e.*, class IV in government services or below, and corresponding classes or services in private employment, including casual labour); and (5) any other occupation involving manual labour. This two-fold test was upheld by the Mysore High Court in *Viswanath v. State of Mysore*.<sup>27</sup> In dicta, however, the court recommended that 'caste' (apparently in its rank sense) and 'residence' should have been added to the two other tests because the results of the new Mysore classification system showed that the Mysore scheme did not help the 'really backward classes'.<sup>28</sup> Out of a reservation of 142 seats for backward classes, brahmins qualified for 22 and lingayats for 35 engineering college seats as members of the 'backward classes' and in addition brahmins and lingayats continued to receive a disproportionate share of seats in the 'merit pool'. Brahmins obtained 33 per cent of the total seats though they were only 4.28 per cent of the state population.

The Supreme Court of India repudiated the Mysore Court's *Viswanath* dictum in *Chitralekha v. State of Mysore*.<sup>29</sup> Subba Rao, J. wrote :

We would hasten to make it clear that caste is only a relevant circumstance in ascertaining the backwardness of a class and there is nothing in the judgement of this Court which precludes the authority concerned from

<sup>27</sup>AIR 1964 Mys. 132. L.G. Havanur was one of the advocates for petitioners.

<sup>28</sup>AIR 1964 Mys. 132, p. 139.

<sup>29</sup>AIR 1964 SC 1823. S.K. Venkataranga Iyengar was again the advocate in this case.

determining the social backwardness of a group of citizens if it can do so without reference to caste. While this Court has not excluded caste from ascertaining the backwardness of a class of citizens, it has not made it one of the compelling circumstances affording a basis for the ascertainment of backwardness of a class.<sup>30</sup>

The Court went on to further 'explain' the meaning of its judgment in *Balaji*. Its explanation indicated that the Court had really not intended to tolerate a proportional group concept of equality at all. What the Court said it had meant was based on a weighted *individual* concept of equality, in which caste groups were not to be the relevant units.

The Court based its 'individual' approach to backwardness on the distinction between 'classes' and 'castes'. The Court implied that classes should not be defined by designating certain caste groups as belonging to them. In its 'explanation', the *Chitralekha* Court thus actually went far beyond *Balaji* by repudiating 'caste' in its group sense. *Balaji* had only said that caste rank could not be the sole measure of backwardness. Subba Rao, J. wrote :

The important factor to be noticed in Article 15(4) is that it does not speak of castes, but only speaks of classes. If the makers of the constitution intended to take castes also as units of social and educational backwardness, they would have said so as they have said in the case of the scheduled castes and the scheduled tribes. Though it may be suggested that the wider expression 'classes' is used as there are communities without castes, if the intention was to equate classes with castes, nothing prevented the makers of the constitution to use the expression 'backward classes or castes'. The juxtaposition of the expression 'backward classes' and scheduled castes in Article 15(4) also leads to a reasonable inference that the expression 'classes' is not synonymous with castes. It may be that for ascertaining whether a particular citizen or group of citizens belong to a backward class or not, his or their caste may have some relevance, but it cannot be either the sole or the dominant criterion for ascertaining the class to which he or they belong.

This interpretation helps the really backward classes instead of promoting the interests of individuals or groups who, though they belong to a particular caste a majority whereof is socially and educationally backward, really belong to a class which is socially and educationally advanced.

If we interpret the expression 'classes' as 'castes', the object of the constitution will be frustrated and the people who do not deserve any adventitious aid may get it to the exclusion of those who really deserve.

<sup>30</sup>AIR 1964 SC 1823, *op. cit.*, p. 1833.

This anomaly will not arise if, without equating caste with class, caste is taken as only one of the considerations to ascertain whether a person belongs to a backward class or not. On the other hand, if the entire subcaste, by and large, is backward, it may be included in the scheduled castes by following the appropriate procedure laid down by the constitution.

What we intend to emphasize is that under no circumstance a 'class' can be equated to a 'caste' though the caste of an individual or a group of individuals may be considered along with other relevant factors in putting him in a particular class.<sup>31</sup>

Though the shift in emphasis may seem subtle, the difference between the *Balaji* and *Chitralekha* decisions is very important. In *Chitralekha*, the Court, for the first time, advocated abandonment of the group concept of equality that had been the rule up to that time. In doing so, its reasoning was unhistorical and probably also unsound. The question regarding 'class' and 'caste' is not whether the two terms can be 'equated', but rather whether 'classes' can be composed of 'caste groups'. And eliminating the 'forward' from a caste to be helped can be accomplished as easily through income ceilings as by abolishing the use of caste as a unit.

The word 'class' in the Indian context has historically been inextricably linked with 'caste.' L.G. Havanur in the report of the Karnataka Backward Classes Commission, cites numerous examples of official use of the word 'classes' to include caste groups. The 'depressed classes' for example, were defined in the Government of India Acts of 1919 and 1935 to mean certain castes and communities :

The 'scheduled castes' means such castes, races, or tribes or parts or groups within castes, races, tribes, parts or groups which appear to the Governor General to correspond to the classes of persons formerly known as the depressed classes as the Governor General may by order specify.<sup>32</sup>

Just before independence, the Lahore High Court noted that 'class' has a special meaning in the Indian context :

A class or section of His Majesty's subjects is a set of persons all filling one common character and possessing common and exclusive characteristics which may be associated with their origin, race, or religion. The term *class* carries with it the idea of a readily ascertainable group having some element of permanence, stability and sufficiently numerous

<sup>31</sup>AIR 1964 SC 1823, *op. cit.*, pp. 1833-1834.

<sup>32</sup>Cited in the *Report of the Karnataka Backward Classes Commission* (L.G. Havanur, chairman), Government of Karnataka, 1975, Vol. I, p. 60.

and widespread to be designated a class. It is in this sense that the expression was commonly understood in this country and it is in this sense that ought, in my opinion, be construed.<sup>33</sup>

Numerous other examples are given by Havanur.

The distinction of 'class' and 'caste' by sociologists is probably behind the distinction made by the *Chitralekha* court. André Beteille in *Caste, Class and Power*<sup>34</sup> observes that whereas caste and class once identified the same groups (upper castes were also the upper classes), the homology, has come 'unglued', so to speak, with modernisation. Members of upper castes are no longer necessarily also of the upper classes. It is perhaps this process of ungluing (*décollage*) that has resulted in the Supreme Court's departure from the previous definitions of 'class' in India. At any rate, the Court's radical distinction of 'class' and 'caste' is a departure from previous Indian usage.

The Supreme Court 'explained' another aspect of its *Balaji* ruling in *T. Devadasan v. Union of India*<sup>35</sup> decided August 29, 1963. A reservation of 17½ per cent of the promotions to assistant superintendent had been made for scheduled castes and scheduled tribes in the Central Secretariat Service. When reserved positions went unfilled by members of scheduled castes and tribes, they were carried 'forward' into subsequent years and added to the percentage reserved for each year. The cumulative number of positions reserved had come to 65 per cent of the total to be filled when the case was filed. The petitioner was passed over and members of scheduled castes and tribes were appointed even though on a qualifying examination the petitioner had received a score of 61 and some of those promoted had scored only 35.

The Court held that the *Balaji* decision made 50 per cent the upper limit for reservations. "The ratio of this (*Balaji*) decision appears to be that reservations of more than half the vacancies is *per se* destructive of the provisions of Art. 15(1)." <sup>36</sup> The *Devadasan* court extended this 'ratio' to apply to government employment under 16(1) as well.

What is most interesting about the *Devadasan* decision is that for once both the majority and a notable dissenter came to grips with the problem of defining equality. Regarding Article 14, Mudholkar, J. for the majority said :

What is meant by equality in this Article is equality amongst equals. It does not provide that what is aimed at is an absolute equality of

<sup>33</sup>AIR 1947, Lahore 340.

<sup>34</sup>Andre Beteille, *Caste, Class and Power*, 1971 University of California Press, Berkeley, Cal., U.S.A.

<sup>35</sup>AIR 1964 SC, p. 179.

<sup>36</sup>*Ibid.*, p. 185.

treatment to all persons in utter disregard in every conceivable circumstance of the difference such as age, sex, education and so on and so forth as may be found amongst people in general... Reasonable classification is permissible. Where the object of a rule is to make reasonable allowance for the backwardness of members of a class by reserving certain proportion of appointments for them in the public services of the state, what the state would in fact be doing would be to provide the members of backward classes with an opportunity equal to that of the members of the more advanced classes in the matter of appointments to public services. If the reservation is so excessive that it practically denies a reasonable opportunity for employment to members of other communities the position may well be different and it would be open then for a member of a more advanced class to complain that he has been denied equality by the state.<sup>37</sup>

The Court went on to make it clear that it is individual, not group, equality that Article 16(1) is intended to protect.

The guarantee is to each *individual* citizen and therefore every citizen who is seeking employment or appointment to an office under the State is entitled to be afforded an opportunity for seeking such employment or appointment whenever it is intended to be filled. In order to effectuate the guarantee each year of recruitment will have to be considered by itself....<sup>38</sup>

In ruling out the 'carry forward' provisions of the reservation scheme in the *Devadasan* case, the Court came down squarely against a proportional group concept of equality and for a weighted individual concept. The weighted individual concept of equality was also that applied in the vigorous dissent of Subba Rao, J. who would have upheld the carry forward scheme on grounds of strict judicial restraint. Subba Rao, J. argued that 16(4) left a power "untrammeled by the other provisions of the Article" and therefore open to even a *total* yearly reservation for scheduled castes and scheduled tribes until the percentage reserved for them in a service is attained. He noted the different facts in *Balaji*, a case governed by 15(4) and one in which the reservation list included groups the court found to be non-backward. *Devadasan* depended on 16(4), and concerned scheduled castes and scheduled tribes, whom no one argued were non-backward. Subba Rao noted that the *Balaji* 50 per cent guideline was "intended only to be a workable guide but not an inflexible rule of law even in the case of admissions to colleges."<sup>39</sup>

<sup>37</sup>AIR 1964 SC 179, p. 185.

<sup>38</sup>*Ibid.*, p. 187.

<sup>39</sup>*Ibid.*, p. 193.

Despite the different result he would have reached, Subba Rao's definition of equality was in complete harmony with that of the majority. It was a weighted individual concept.

Article 14 lays down the general rule of equality. Article 16 is an instance of the application of the general rule with special reference to opportunity of appointments under the state... If it stood alone, all the backward communities would go to the wall in a society of uneven basic social structure; the said rule of equality would remain only a utopian conception unless a practical content was given to it. Its strict enforcement brings about the very situation it seeks to avoid. To make my point clear, take the illustration of a horse race. Two horses are set down to run a race—one is a first class horse and the other an ordinary one. Both are made to run from the same starting point. Though theoretically they are given equal opportunity to run the race, in practice the ordinary horse is not given an equal opportunity to compete with the race horse. Indeed that is denied to it. So a handicap may be given either in the nature of extra weight or a start from a longer distance. By doing so, what would otherwise have been a farce of a competition would be made a real one. The same difficulty had confronted the makers of the constitution at the time it was made centuries of calculated oppression and habitual submission reduced a considerable section of our community to a life of serfdom. It would be well nigh impossible to raise their standards if the doctrine of equal opportunity was strictly enforced in their case. They would not have any chance, if they were made to enter the open field of competition without adventitious aids till such time when they could stand on their own legs. That is why the makers of the Constitution introduced clause 4 in Article 16.<sup>40</sup>

Although Subba Rao, J. stressed the weighted individual concept of equality, he did not seem to consider it at odds with job reservations. The practical results that reservations may have can be justified as though they were 'handicaps' to forward classes of candidates and thus individual in their effects. But in fact reservations are based on a proportional group concept of equality. Subba Rao, J. only partly addressed the inconsistency of reservation schemes with individual equality.

This provision (for reservation) certainly caused hardship to the individuals who applied for the second or third selection, as the case may be, though the non-scheduled castes and non-scheduled tribes, taken as one unit, were benefited in the earlier selection or selections. This injustice to individuals, which is inherent in any scheme of reservation,

<sup>40</sup>AIR 1964 SC 179, p. 190.

cannot, in my view make the provision for reservation any the less a provision for reservation.<sup>41</sup>

Subba Rao, J. did recognise much more frankly than most judges the conflict between formal individual equality in a meritocracy and the type of equality found in a reservation system:

If the provision deals with reservation—which I hold it does—I do not see how it will be bad because there will be some deterioration in the standard of service. It is inevitable in the nature of reservation that there will be lowering of standards to some extent; but on that account the provision cannot be said to be bad.<sup>42</sup>

The *Balaji* decision has been applied and interpreted in most of the cases since it was handed down. Since *Balaji*, the courts have taken an activist role in passing on the constitutionality of many details of administering reservations. In *Chamaraja v. State of Mysore*,<sup>43</sup> the Mysore High Court upheld a reservation scheme in which the backward class candidates for medical college admitted in the general merit competition were counted towards fulfilment of the backward class reservation quota. An Andhra Pradesh court had struck down an opposite scheme in which backward class candidates who would have been admitted on merit were denied admission because the reservation percentage for backward classes was ‘filled’.<sup>44</sup> Thus reservations may be used as minimums but not as maximums.

In *Abdul Latiff v. State of Bihar*<sup>45</sup> a licence was available for a ganja shop. There were 39 applicants, 7 from members of scheduled castes and scheduled tribes. Because of a government order giving preference to scheduled castes and scheduled tribes, the selection was made by drawing lots between the seven scheduled caste/scheduled tribe applicants. The court held that this procedure violated the rights of the excluded applicants and exceeded the limits of government power under Article 15(4). The court reasoned that 15(4) is only an exception to 15(1) and should not be interpreted to destroy or nullify the meaning of 15(1). The court took a weighted individual or possibly even a formal individual view of equality, and rejected the proportional group concept of equality used in the selection procedure.

In *Triloki Nath Tiku v. The State of Jammu and Kashmir*<sup>46</sup> the proportional group concept of equality was again rejected. In that case two Kashmiri pandits (an elite group) on a high-school teachers’ seniority list were passed

<sup>41</sup>AIR 1964 SC 179, p. 192.

<sup>42</sup>*Ibid.*, p. 192.

<sup>43</sup>AIR 1967 Mysore, 21.

<sup>44</sup>*Raghuramulu v. State of Andhra Pradesh*, AIR 1958, Andhra Pradesh 129.

<sup>45</sup>AIR 1964 Patna, 393.

<sup>46</sup>AIR 1967 SC 1283,

over for promotion because of a quota system allotting 50 per cent of promotions to Muslims, 30 per cent to Dogras from Jammu and only 20 per cent to Kashmiri pandits. The Supreme Court held that reservations could only be used to benefit classes that were both socially and educationally backward. Mere inadequate representation in State services did not constitute a sufficient test. The Court threw out the reservation scheme because no evidence had been presented that any of the groups for which reservations were made were 'backward'. The Court declared that whether a class is backward is a justiciable issue, making explicit the activist role it had adopted in *Balaji*.

The most thorough and thoughtful discussion of reservations and the concepts of equality was given in the opinions handed down in 1976 in *State of Kerala v. N.M. Thomas*.<sup>47</sup>

A Kerala Government order allowed members of scheduled castes and scheduled tribes who had been promoted from lower to upper division clerks two years longer than others to pass a qualifying test. Over the years preferential treatment had given members of scheduled castes and tribes seniority over many of their co-workers. The result was that in the promotion challenged by the petitioner, 34 out of 51 posts were given to members of scheduled castes and tribes. Petitioner had passed the qualifying test though he lacked relative seniority, and he challenged the government order allowing members of scheduled castes and tribes to continue in their higher posts (thus accruing yet more seniority) without passing the test. The result of the order was that the petitioner had not been promoted.

The Kerala High Court ruled that giving 34 out of 51 posts to scheduled castes and tribes was excessive. The Supreme Court of India reversed, liberalising its rigid 50 per cent rule from *Devadasan*. The Court noted that the percentage of scheduled castes and tribes in the entire Kerala government service was only 2 per cent for gazetted services and 7 per cent for non-gazetted services. Scheduled castes and tribes made up 10 per cent of the Kerala population. The Court steered around the 50 per cent *Devadasan* rule by pointing out that seniority was the reason for the high percentage of promotions that went to members of scheduled castes and scheduled tribes and that seniority and membership in scheduled castes and tribes were both reasonable classifications for promotion, not violating the equality guaranteed by the Constitution. As long as the classifications did not impair efficiency in administration (a balance mandated by Article 335), they did not contravene Articles 14, 16(1) and 16(2).<sup>48</sup>

In a concurring opinion, Mathew, J. discussed the meaning of the equality guaranteed in the Constitution. He distinguished what he called 'formal' equality from 'proportionate' equality. Formal equality which means absolutely identical treatment for all persons would result in equality in law but

<sup>47</sup>AIR 1976 SC 490.

<sup>48</sup>*Ibid.*, p. 502.

inequality in fact. Equality in fact "may involve the necessity of differential treatment in order to attain a result which establishes an equilibrium between different situations."<sup>49</sup> Proportionate equality is attained only when equals are treated equally and unequals unequally. "Proportional equality appeals to some criterion in terms of which differential treatment is justified."<sup>50</sup> The criteria must be relevant to the post. As Aristotle said, "claims to political office cannot be based on prowess in athletic contests. Candidates for office should possess those qualities that go to make up an effective use of the office."<sup>51</sup> Article 335 postulates that scheduled castes and tribes have a claim to representation in the public service. Therefore membership in scheduled castes and tribes can be a relevant and constitutional criterion to be used in selection for the public services.

Citing B.I.O. Williams,<sup>52</sup> Mathew, J. gave the example of a hypothetical society where great prestige was attached to being a member of a warrior class recruited only from wealthy families. A reformer opened the recruitment to all with the requisite physical strength. But because only the wealthy had such physical strength due to better nutrition they continued to monopolise the warrior class. "Such equality is quite empty. One knows that there is a causal connection between being poor and being under-nourished and being physically weak .... To give *X* and *Y* equality of opportunity involves regarding their conditions where curable, as themselves part of what is done to *X* and *Y* and not part of *X* and *Y* themselves."<sup>53</sup>

Mathew, J. concluded that the guarantee of equality in the Indian constitution must be for more than formal equality and that it implies differential treatment of persons who are unequal.<sup>54</sup> He cited several American cases in support of such a concept of equality, *Griffen v. Illinois*<sup>55</sup>; *Douglass v. California*<sup>56</sup> and *Harper v. Virginia Board of Elections*.<sup>57</sup> Mathew, J. stated his view of equality most forcefully in his statement that "Whether there is equality of opportunity can be gauged only by the equality attained in the result."<sup>58</sup>

Applying such a concept of equality would mean that 16(4) should not

<sup>49</sup>AIR 1976 SC, 513, citing his opinion in *Ahmedabad St. Xavier's College Society v. State of Gujarat*, AIR 1974 SC 1389, p. 1433.

<sup>50</sup>AIR 1976 SC 490, p. 513.

<sup>51</sup>*Ibid.*, p. 513.

<sup>52</sup>B.I.O. Williams, "The Idea of Equality" in Hugh A. Baden (ed.), *Justice and Equality*, p. 116.

<sup>53</sup>AIR 1976 SC 490, p. 515.

<sup>54</sup>*Ibid.*, p. 516

<sup>55</sup>351 U.S. 12 (1955) (Indigent defendant was unable to appeal because he could not afford to buy the trial transcript, violating equal protection of the laws despite formal 'equality' of law requiring purchase).

<sup>56</sup>372 U.S. 353 (1963).

<sup>57</sup>383 U.S. 663 (1966) (Virginia Poll tax violated equal protection clause).

<sup>58</sup>AIR 1976 SC 490, p. 518.

be interpreted as an exception to 16(1). "If equality of opportunity guaranteed under Article 16(1) means effective material equality, then Article 16(4) is not an exception to Article 16(1). It is only an emphatic way of putting the extent to which equality of opportunity could be carried, *viz.*, even up to the point of making reservation."<sup>59</sup> Mathew, J. therefore upheld the Kerala scheme as within the State's constitutional powers.

Krishna Iyer, J. in a concurring opinion also interpreted the guarantee of equality to be for a 'real not a formal equality'. He upheld the Kerala reservation scheme but also listed some of the dangers of reservation schemes in general :

1. Benefits are by and large snatched away by the top creamy layer...
2. Claims to backwardness are overplayed as a means to group advancement.
3. They are not a lasting solution to the caste problem. The solution will come only "from improvement of social environment, added educational facilities and cross-fertilization of castes by inter-caste and inter-class marriages sponsored as a massive state programme."<sup>60</sup>

Krishna Iyer, J. nevertheless upheld reservations because "reservation based on classification of backward and forward classes without detriment to administrative standards... is but an application of the principle of equality within a class and grouping based on a rational differentia, the object being advancement of backward classes consistently with efficiency."<sup>61</sup> Articles 14 to 16 do not dictate mechanical or literal equality but rather the progressive elimination of pronounced inequality.<sup>62</sup>

Fazl Ali, J. in his concurring opinion observed that classification on a rational basis with a close nexus with the object to be achieved is compatible with equality. Article 16(4) then is not an exception to 16(1). Instead it "covers and allows one form of classification among those that can be made under 16(1)." Fazl Ali, J. would liberalise the 50 per cent rule handed down in *Devadasan* and would allow the carry forward rule to be used. He noted the small percentage of scheduled caste and scheduled tribe members in the government services and implied that reservations should be judged by a proportional group equality rather than on the individual basis advocated in *Devadasan*. This reassertion of the proportional group concept of equality may indicate a resurgence of respectability for that approach.

The response to the activist courts has been an increasing use of objective

<sup>59</sup>AIR 1976 SC 490, p. 519.

<sup>60</sup>*Ibid.*, p. 531.

<sup>61</sup>*Ibid.*, p. 536.

<sup>62</sup>*Ibid.*, p. 537.

<sup>63</sup>*Ibid.*, p. 555.

and intelligible criteria for measuring backwardness. But caste groups remain the most common units designated as backward. In the most thorough and scientific study of the problem to date, the Karnataka Backward Classes Commission chaired by L.G. Havanur carried out massive surveys of the caste groups of Karnataka in order to gauge their socio-economic status, educational attainment, political and economic position, and representation in government services. The results of the surveys were used to designate castes and communities to be granted reservations in educational institutions and government services. For educational institutions [under Art. 15(4)] 15 communities, 128 castes, and 62 tribes were designated backward. For government service [under Art. 16(4)], 9 communities, 115 castes, and 61 tribes were designated backward.<sup>64</sup> The Commission recommended reservation of 32 per cent of educational seats and government posts for backward classes, in addition to the 18 per cent reserved for scheduled castes and scheduled tribes. The percentage of reservations was thus kept at 50 per cent.

The Karnataka Government orders that followed in 1977 and 1978 added several groups to the list recommended by the Commission and raised the total reservation to 58 per cent. The orders were challenged in *Dayanandaiah v. State of Karnataka*<sup>65</sup> and decided by the Karnataka High Court on April 9, 1979. According to preliminary reports of that judgement and interviews with L.G. Havanur and Venkataranga Iyengar, (an advocate for Dayanandaiah) the High Court upheld the designation of caste groups by the Backward Classes Commission but struck down the addition of other groups in the government order, thus indicating the survey approach taken by the Commission and once again rejecting the addition of groups for whose inclusion no intelligible justification was given.

The formal individual concept of equality has never held much sway in Indian cases of compensatory discrimination. The trend in the Indian courts has been towards a weighted individual concept of equality. But the proportional group concept of equality has never completely been displaced largely because of the Indian constitution's explicit permission of reservations. Recent cases such as *Thomas* indicate that the proportional group concept is still permissible in India and may be making a comeback.

#### TREND IN THE UNITED STATES

In the United States the trend has been away from the formal individual concept of equality to a weighted individual concept of equality. The proportional group concept was rejected by Justice Powell in the *Bakke* decision, though there is room for it in the opinion of Justice Brennan, White, Marshall, and Blackmun. Group concepts of equality are not in harmony

<sup>64</sup>*The Report of the Karnataka Backward Classes Commission* (L.G. Havanur, chairman), Government of Karnataka, 1975, Vol. I, pp. 359-372.

<sup>65</sup>Unreported at the time of writing. See *Deccan Herald*, Bangalore, April 10, 1979, p. 1.

with the individualistic underpinnings of the American constitution and American culture, and there have been very few court decisions supporting them. Preferences for members of groups are nearly always justified as weighted individual treatment. Reservation systems have seldom been upheld.

The US Supreme Court opinions in the case of *The Regents of the University of California v. Allan Bakke*<sup>66</sup> demonstrate the use of all three concepts of equality.

The medical school of the university of California at Davis employed two admissions programmes to fill its entering class of 100 students. Sixteen seats were reserved for members of minority groups (blacks, Chicanos, Asians, and American Indians). These seats were filled by selection from a pool of 'special applicants' to which only minority group members could belong. The special applicants were rated only against each other. Eightyfour seats were filled by competition among all applicants in the 'general pool' including the 'special applicants' who were considered in both pools.

*Allan Bakke* applied for admission in the general pool twice and was turned down twice. In both years, 'special applicants' with considerably lower test scores and grade averages than *Bakke* were admitted to reserved seats. *Bakke* sued for injunctive and declaratory relief to compel his admission to Davis, alleging that the special admissions programme operated to exclude him on the basis of his race in violation of the equal protection clause of the fourteenth amendment, a provision of the California constitution, and section 601 of title VI of the Civil Rights Act of 1964. The California Supreme Court ruled that the special admissions programme violated the equal protection clause and ordered *Bakke's* admission. It also prohibited Davis from taking race into account as a factor in its admissions decisions.

Justice Powell's judgment for the US Supreme Court upheld the California Court's decision insofar as it ordered *Bakke's* admission and invalidated the Davis admissions programme. But he did so on very different grounds, since he applied a weighted individual concept of equality rather than the formal individual concept of equality used by the California Court. The California Court held that Davis's admissions programme must be completely colourblind. Yet such a colourblind admissions programme had been tried at Davis with the result that almost no minority group members had been admitted. Justice Powell held that race may be taken into account in considering the applications of individual applicants. But because white applicants could compete for only 84 seats out of 100, a 'line' drawn on the basis of race had been used—in effect a system of reservation. He held that racial classifications must be strictly scrutinised to determine if they are necessary to achieve constitutional state interests. Powell noted that "it is settled beyond question

<sup>66</sup>438 U.S. 265 (June 28, 1978).

that the 'rights' created by the first section of the fourteenth amendment are, by its terms, guaranteed to the individual. They are personal rights not group rights."<sup>67</sup> Powell rejected any group theory of equality including 'two-class theories' of majority and minority rights under the fourteenth amendment. He found that the Davis quota system was not necessary to achieve the state's legitimate interests in ameliorating the disabling effects of identified discrimination, training more minority physicians, and achieving a diverse student body. An individually based admissions programme like Harvard's could achieve these goals just as well without quotas. Powell held that 'the fatal flaw' in Davis's preferential programme is its disregard of individual rights as guaranteed by the fourteenth amendment."<sup>68</sup> Because of the legitimate state interest in rectifying past discrimination, race could be taken into consideration in judging the qualifications of individual applicants. But a system of group reservations (based on a proportional group concept of equality) violated individual rights under the equal protection clause.

Mr. Justice Brennan, Mr. Justice White, Mr. Justice Marshall and Mr. Justice Blackmun in their opinion would have not only allowed race to be taken into consideration on an individual basis but would also have allowed the use of group quotas like Davis's. Therefore *Bakke* would not have to be admitted.

Brennan, White, Marshall, and Blackmun first examined the legislative history of title VI of the Civil Rights Act of 1964 and concluded that its remedial purpose did not bar the use of race conscious programmes to ameliorate historic racial discrimination. They examined prior court decisions and concluded that racial classifications are not *per se* invalid under the fourteenth amendment. They held that the amelioration of past discrimination is a constitutional state interest and noted that Davis's admissions programme was designed to achieve that goal. Strict scrutiny of racial classification meant asking whether the Davis programme 'stigmatised' any discrete group or individual and was reasonably related to its objectives. Concluding that it did not stigmatise, Brennan, White, Marshall and Blackmun judged the Davis programme constitutional. They refused to rule against group approaches to rectifying past discrimination.

When individual measurement is impossible or extremely impractical, there is nothing to prevent a state from using categorical means to achieve its ends at least where the category is closely related to the goal.<sup>69</sup>

<sup>67</sup>438 U.S. 265, p. 289, citing *Shelley v. Kraemer*, 334 U.S. 1 at 22 (1948). The Equal Protection Clause of the Fourteenth Amendment to the U.S. Constitution states: "No state shall... deny to any person within its jurisdiction the equal protection of the laws."

<sup>68</sup>438 U.S. 265 (1978), p. 320.

<sup>69</sup>*Ibid.*, pp. 377-378.

They judged that the Harvard individual approach to the problem was in effect no different than the Davis approach because it too resulted in preferences for minorities and exclusion of some whites.

Justice Marshall in his separate opinion emphasised the long history of group discrimination against American black people. He examined the history of the fourteenth amendment and the legislation that immediately followed it and opined that the amendment's framers were attempting to remedy the effects of past discrimination, not to ban state action to achieve that end. Barring race-conscious remedial action "would pervert the intent of the framers by substituting abstract equality for the genuine equality the amendment was intended to achieve."<sup>70</sup>

Marshall supported a group approach to equality more directly than did the Brennan opinion. He pointed to previous cases of group based preference that were upheld by the Court and concluded that there is no need to find that those individually benefited were actually victims of past discrimination.<sup>71</sup> In his clearest support for a proportional group concept of equality, Marshall noted that :

It is more than a little ironic that, after several hundred years of class-based discrimination against Negroes, the Court is unwilling to hold that a class-based remedy for that discrimination is permissible. In declining to so hold, today's judgment ignores the fact that for several hundred years Negroes have been discriminated against, not as individuals, but rather solely because of the color of their skins.<sup>72</sup>

Marshall therefore would have allowed group based programmes to rectify past group discrimination, a position allowing the state to apply a proportional group definition of equality.

Justice Blackmun's separate opinion upheld the use of race as a factor in medical school admissions and allowed Davis's admissions programme as "within constitutional bounds, though perhaps barely so."<sup>73</sup> But Blackmun's opinion never explicitly endorsed the group quota approach to compensatory discrimination, and he explicitly preferred the Harvard individual approach. Blackmun said, "In order to get beyond racism, we must first take account of race. There is no other way. And in order to treat some persons equally, we must treat them differently."<sup>74</sup> Blackmun's opinion seems to be predicated on a weighted individual concept of equality rather than on proportional group equality.

Mr. Justice Stevens, Chief Justice Burger, Mr. Justice Stewart, and

<sup>70</sup>438 U.S. 265 *op. cit.*, p. 398.

<sup>71</sup>*Ibid.*, p. 400.

<sup>72</sup>*Ibid.*, p. 400.

<sup>73</sup>*Ibid.*, p. 406.

<sup>74</sup>*Ibid.*, p. 407.

Mr. Justice Rehnquist adopted a strictly individualistic approach to the case. They refused to rule on the constitutionality of the Davis admissions programme and instead came to their decision of a formal reading of title VI (Section 601) of the Civil Rights Act of 1964.<sup>75</sup> They found that *Bakke* had been excluded from participation in Davis's programme of medical education because of his race. They interpreted title VI as protecting *individuals* and as requiring 'colourblind' application of its provision. They clearly rejected the group approach to equality.

Both title VI and title VII express Congress's belief that in the long struggle to eliminate social prejudice and the effects of prejudice, the principle of *individual* equality, without regard to race or religion, was one, on which there could be a meeting of the minds among all races and a common national purpose. See *City of Los Angeles, Dept. of Power and Water v. Manhart*, 46 U.S.L.W. 4347, 4349 [“the basic policy of the statute (title VII) requires that we focus on fairness to individuals rather than fairness to classes”]. This same principle of individual fairness is embodied in title VI.<sup>76</sup>

Since *Bakke*, the individual, had been excluded because of his race Stevens, Burger, Stewart, and Rehnquist ordered him admitted and upheld the ruling of the California Supreme Court.<sup>77</sup> Their interpretation of title VI was based on a formal individual view of equality that would not allow race to be considered in deciding on *Bakke's* application.

Powell's opinion became the decision of the Court because he ordered *Bakke* admitted as Stevens, Burger, Stewart, and Rehnquist did, but he also upheld the consideration of race in admissions programmes as Brennan, White, Marshall, and Blackmun did. This middle position was predicated on a weighted individual concept of equality that rejected both the formal individual equality advocated by Stevens *et al.* and also the proportional group equality tolerated by Marshall and perhaps by Brennan, White and Blackmun. Quotas and reservations are out but race as a factor in weighting individuals was accepted.

#### THE INDIVIDUAL VS. GROUP CONCEPT OF EQUALITY

The weighted individual concept of equality is in harmony with the American constitution's emphasis on individual rights. Group concepts of equality are not. The concept of the individual is one of the key underpinnings of American constitutional law and social theory. The social contract theories of the framers of the American constitution were based on a view

<sup>75</sup>42 U.S.C. S 2000 d.

<sup>76</sup>438 U.S. 265 (1978), p. 416.

<sup>77</sup>*Ibid.*, p. 421.

of human beings as free individuals who voluntarily come together to form social institutions. The primary unit in such theory is the individual, not the group. Rights guaranteed by the fourteenth amendment have been interpreted as individual rights, not group rights, and Powell's decision in *Bakke* upheld that interpretation.

The Indian constitution, on the other hand, was written for the Indian culture. Dumont<sup>78</sup> and others have argued persuasively that the concept of the individual as a unit separable from his social milieu is foreign to traditional Indian culture. The Indian concept of the person according to McKim Marriott,<sup>79</sup> is rather that of the *individual*, a social being constituted by multitudinous social interactions and group affiliations. The most important status group affiliation in India is that of caste. A human being belongs to his or her caste from birth. A person's caste, both in the group and the rank sense, is inextricably part of his personhood. In India, therefore, a person's caste group membership and the situation of his caste in a total structural hierarchy are among his essential attributes. They are not adventitious qualities added by society.

In the Indian constitution, the caste system is explicitly recognised, though many of the framers did not approve of it. It was recognised because any advocate of equality in India must take the caste system into account. A proportional group concept of equality was sanctioned in the constitution's provisions for reservations. Articles 15(4) and 16(4) allow group membership to be a determinant of a person's treatment by the state. The Indian courts have tended to prefer weighted individual equality, but they have allowed proportional group equality to be implemented in reservation systems.

The Indian constitution embodies the Indian social concept of personhood. Because of the group nature of Indian concepts of the person, it is not surprising that group affiliation has been allowed a much more important role in Indian constitutional law than it has been recently in America. Proportional group equality in India would allow for reservations to achieve caste group equality. Because of the pervasive nature of the Indian caste system, this concept of equality is in harmony with the realities of Indian society and culture. The concept of the individual does certainly play an important role in modern Indian constitutional law but it co-exists with more traditional group concepts of personhood. It is thus understandable that in Indian constitutional law both individual and group concepts of equality co-exist.

American courts have almost universally used individual rather than group concepts of equality. The *Bakke* decision illustrates this American

<sup>78</sup>L. Dumont, *Homo Hierarchicus: Essai sur le système des Castes*, Paris, Gallimard, 1966.

<sup>79</sup>Personal Communication by Prof. McKim Marriott.

predilection, and it is in harmony with America's individualistic culture and with the American constitution. India's history, culture, and constitution differ from America's and it is thus appropriate that in Indian individual and group concepts of equality have been applied by the courts in different ways, ways well suited to the Indian constitution and culture.

□

### Value Judgments

The reason why judges have to base some of their decisions on values or the spirit rather than on the language or the letter of it is rooted in the very nature of the judicial function itself. Judicial creativity is called upon to do justice by appealing to the spirit of the law when the language of it fails. The tradition of value judgments in this sense is an ancient one. Coke, Bacon, Holt, Mansfield, Blackburn and Willes were some of the judges who gave such judgments long ago. As Prof. Jaffe says: "The great judge was great because when the occasion cried out for new law, he dared make it. He was great because he realised that law is a living organism, its vitality dependent on renewal. Lord Mansfield was not a "mere lawyer", said Dr. Johnson, "he made law serve life". The great judge was great because he could dare to do these things and yet convince the public that he spoke with an authority greater than his own. [Is the Great Judge Obsolete in "English and American Judges as Lawmakers" (1969), p.1]. There is a continuous trend towards preferring the social good. Those judges who had this foresight bucked up the right values. Those who did not had the misfortune of fighting a losing cause.

—SHRI JUSTICE V.S. DESHPANDE, Ex-Chief Justice,  
Delhi High Court—*Supreme Court Review-II*,  
AIR, February 1981.

# **Planning and Management for Health : Issues, Dilemmas and Challenges An Asian Scenario\***

**J.P. Gupta**

**T**HE RAPID expansion of knowledge amounting to explosion, the rapid speed and increasing variation of scientific discoveries and ever-increasing consciousness and expectations of people have, generally, brought to surface a number of issues and dilemmas which in turn have posed serious challenges to policy makers, planners and administrators in any field of human endeavour. The field of health is no exception to this. The urge for rapid reconstruction after World War II, freedom from colonial yoke and the vast developmental gaps between developed and developing countries have led the developing countries particularly those of the third world to undertake planning efforts at a pace amounting almost to a race, thus giving a different dimension to the challenges. Planning being essentially an effort to bring about social changes, the task assumes different proportions quantitatively and qualitatively especially when societies such as those in third world countries are more or less in a stage of 'turmoil' or when the subject area attempted to be influenced (like health) is intimately related to the very personal lives of people.

## **CHALLENGES IN HEALTH POLICY AND ADMINISTRATION**

In the text to follow, an attempt has been made to briefly describe issues, dilemmas and the challenges faced by the policy makers, planners and administrators in the field of health, their attendant implications and sometimes touching upon the possible solutions with the hope that it will provide a stimulus for discussions. The description is in the context of Asian scene and is of qualitative nature based on author's observations and discussions with a number of senior planners and administrators of health services in the countries and not upon hard data. The description is by no means complete, any resemblance to situations and personalities is purely coincidental

\*This paper is a modified version of the paper already accepted for publication in a forthcoming book on Reading in Health Development being edited by Dr. Claudio Sepulveda-Alvarez, Coordinator, ESCAP programme on Health and Society, Bangkok.

and has been attempted more to illustrate a particular point. Further, the views expressed in this paper are those of author alone and do not necessarily reflect the views and policies of organisations which he is associated with.

One of the most crucial issues ever since people started thinking of planning has been the concept, definition and measurement of levels of health. The members of the 1977 Dag Hammarskjööld Seminar on 'Another Development in Health' which met at Uppsala from 12—16 June, brought out that "there is a need for redefinition of the health concept, taking into account the socio-economic and socio-cultural determinants of the health status of a population. Health is a human condition which cannot be delivered by health care system. No lasting improvement can be achieved through development of medical services alone. Health is the responsibility of the individual, the community and the government as a whole. It is therefore ultimately a political question. In certain countries, significant changes in health will be possible only through fundamental social and economic change".

The definitions of health have been approaching the issue from two angles, *viz.*, a negative approach viewing it as absence of some attributes, and a positive approach viewing the existence of some attributes. The World Health Organisation (WHO) has provided a concept of health as 'the complete physical, mental and social well-being and not merely the absence of diseases or infirmity'. This definition approaches the issue from both the positive as well as negative angle. Though a number of definitions have been coined since then, it appears that the one by WHO has stood the test of time so far, if about 33 years can be considered as a reasonable period for testing the validity of a concept. The challenge lies not in coining new definitions but perhaps in the development of measurement of levels of health in the context of a particular definition, and in the critical analysis of and understanding of implications of the contents of definitions, in terms of planning and management for health. Traditionally physicians have approached the problem of measurement from a negative angle in the sense that a person is considered healthy if the physicians are not able to detect any abnormality (N.A.D.—No abnormality detected—a commonest provisional diagnostic label on people attending health service facilities or during surveys including screening tests). However, there have been a number of attempts to measure health along different dimensions notably amongst them being the definition of turning points and stages in life cycle described by Jazairi, or the dimensions of death, disease, discomfort (illness), disability, productivity, internal satisfactions, external satisfactions, positive health and capacity to participate, as described by Henrik L. Blum.

The problem of measurement is to be looked at from the individual's as well as community's point as the health level of a community cannot be assumed to be a mere summation of health levels of individuals comprising the community. The need for composite index indicating health levels of

individuals as well as that of a community still remains a major issue.

### HEALTH AND DEVELOPMENT

An issue which has since long baffled all concerned with human welfare inclusive of health planners, administrators and development economists, relates to the relationship between health and development. The pendulum has swung from a position in which die-hard economists, the masters of planning bodies at various levels of administrative set-up, believed that the answers to all problems facing humanity lie in the application of economic theories and concepts in which health was viewed as an item of consumption to a position where health is viewed as an item of investment and where limitations of complete reliance on application of economic theories and concepts are aptly realised. Most people now take a more rational view and believe in the two way cause and effect relationship between health and development. The examples of benefits to development accruing out of control of malaria in the Terai region at the foothills of Himalayas and a drop of incidence of tuberculosis and other communicable diseases as a result of economic development, long before technical measures for control of such diseases were available in some communities, support the two-way relationship mentioned above. The discussion paper on health and new international economic order by WHO aptly brings out such a relationship in the following sentence.

"In this process, many have come to realize that the indicators of good health are also indicators of development—a healthy development. Health development as such, is now being seen as a viable strategy for development planners to pursue as part of the efforts to improve the quality of life of all people."

The recent developments, namely, basic services and basic needs approaches advocated by UNICEF and ILO respectively, have further strengthened the relationship between health and development mentioned above. By virtue of these conceptual framework being by and large acceptable, the constant struggle to prove the utility value of health, has ended. Of course, the *inter se* priority between various components of basic needs or services and the relative weightage of each of the component still remains a challenge.

There is quite a relevance in the school of thought which believes that health cannot be provided but has to be attained by individuals and communities. Such a conceptual framework raises the question of responsibilities of health and other sectors *vis-a-vis* society as a whole. The role of various sectors in health or health related activities poses problems attendant with inter-sectoral articulations which, in simpler terms, mean the definition of roles and activities of various sectors as well as development of mechanisms for coordination of such activities to take care of multifactorial aetiology of health problems and consequently multi-sectoral attack links. Malaria

and malnutrition provide excellent examples of necessity for inter-sectoral articulations. On the other hand, a programme for tackling the psychosomatic and social diseases will require in addition to efforts of organised sectors, adjustments and attitudinal changes of patients, their attendants, family members, relatives and society at large. Primary health care provides an excellent example of role of society in tackling health problems.

The question of needs and health being one of the basic needs has been discussed earlier. In relation to health only, the needs could be looked at in terms of professionally defined needs, felt needs and demand for health services which can be conceived of as utilisation of health services and purchasing power of people in the free or prepayment health care systems respectively. In terms of developing or formulating health programmes, one could think of tackling one or a combination of all of them or different degrees of combinations. Health administrators are likely to be biased in favour of professionally defined needs, social scientists in favour of felt needs while economists will concern themselves mostly with the effective demand which is backed by purchasing power. The problem needs a deeper consideration in order to find an appropriate solution. Beginning with the area of overlap between professionally defined needs, felt needs and demands and expanding it gradually could perhaps be one of the most acceptable and feasible alternative.

Related quite closely to definition of a combination of needs and demands, is the question of definition of package of services to be provided to a particular community at a point in time, within the financial constraints posed by budgetary ceilings in case of public financing systems or likely generation of resources by the community through delivery systems which are accessible and acceptable. While it is true that detailed definition of package of services to be provided depends upon the health levels, the cultural settings and the preferred system of medicine, etc. etc., a broad agreement on the basic ingredients, quantitative and qualitative, of such a package at front line as well as first and subsequent referral levels is necessary and must be attempted at.

Quantity *vs.* quality dilemma has been an universal feature of any human endeavour. However it assumes greater importance in (a) the developing situations where the gap between what is needed and what is being done is huge, be it a service, training or research organisation, and (b) in the field of health, related as it is to question of life and death. How the balance should be struck is a question which has remained unanswered. Can such a balance be thought of in the framework of a time horizon such that the quantitative aspects are taken care in the short-term and the qualitative dimensions are thought of in long-term perspective? Giving more weightage to one or the other will in any case have its own pros and cons. The task of health planners and administrators is only to see that disadvantages should not outweigh the advantages.

## RURAL HEALTH SERVICES

The starvation of rural health services in terms of non-availability of doctors and development of primary health care approach are indicators of quality-quantity dilemma. The planners and administrators have an onerous duty of guarding against vested interests, when in the name of quality, the provision of basic minimum health services to the rural, remote and indigent populations through auxiliaries has been deferred for quite some time.

The traditional systems of medicines have always coexisted with allopathic system of medicine. Whereas rapid strides have been made with regard to newer inventions and development of allopathic system of medicine, there has been almost complete neglect of the traditional system of medicine even though large number of populations especially in rural areas of developing countries in this part of the world have faith in them. This is indicated by the number of practitioners of these traditional systems especially in rural areas. Recently there has been a resurgence of these traditional systems and governments of the region are giving adequate emphasis for the development of these systems. One of the elements connected with such a resurgence is the concept of integration of traditional system of medicine with modern allpathic system which has been discussed at a number of national and international fora. Since the basis of functioning of the traditional system and modern allopathic system are quite different, they cannot, in author's opinion, be integrated but can only be coordinated and therefore the implication for planning and management of health services are indeed different.

The methodologies related to integrated area development plans, growth centres and focal points meaning thereby the conglomeration of activities of various sectors in spatial and time dimensions have passed the test of theoretical soundness. Experimentations, natural or artificial, for further validating the soundness of integrated approach are available. The importance of health in such integrated plans especially at local levels is too well known and gradually, the urgent and imperative need of advocacy role for place of health in development is diminishing. Primary Health Care which has led to deeper penetration of health activities in the social fabric of society is providing an entry point around which community services may rally and leads to achieving redistribution objectives envisaged in New International Economic order. The challenge posed by these developments relates to modalities of such a rallying.

The roles and responsibilities of the state *vis-a-vis* individual and community in provision of health services and attainment of health have generally remained ambiguous and undefined. Constitutions of countries, wherever they exist, do not clearly define such roles and responsibilities. Such an ambiguity leads to serious confusion when politicians will keep on pronouncing

judgments and promising to people, more often simple and ignorant electorates, that health services will be provided free, thus raising their expectations. The income disparities of people coupled with the extent and degree of poverty on the other hand precludes the possibility of many individuals having effective demand for health services. Consider for a moment a country where 40 per cent of the population is below poverty line. What can be the expectations in terms of the purchasing power of the people for health? One possible remedy lies in formulation of health policies which not many countries in this region have, and then get approved by competent authorities which while defining the role of state *vis-a-vis* individuals and communities in the provision of health services and attainment of health should *inter alia* define the mechanisms for the financing of health services. While prepayment or insurance schemes about which some countries in the region are thinking could be one of the alternatives for financing health services, the utility of such an alternative needs to be carefully investigated especially in view of the levels of income and sickness in the communities.

#### PLANNING FOR HEALTH

Planning for health like planning for economic growth and development means bridging or narrowing the gap between levels of health achieved by developed countries as compared to levels existing in developing countries. While *speed* is of paramount importance, the direction is equally important. Some people are of the view that speed, utilising the existing technological and strategical choices, can be more fruitful initially and when the problem has come to a manageable level, attention could be given to development and utilisation of alternative technological and strategical choices. On the other hand, some believe that it may be useful to spend time and energy in development and utilisation of the right kind of technological and strategical choices even if it means delay in control of problems to a manageable level, for the overall advantages will be more in the long run. The dilemma is of the same nature which development economists have faced in terms of achieving a rapid economic growth *vis-a-vis* structural transformation of societies. The problem in relation to the task of planning for health was very aptly stated as 'doing right things' is more important than 'doing things right' in one of the expert group meeting of specialists in health while in another meeting it was stated that 'even the right things need to be done in a right manner'.

In the ultimate analysis, attainment of a particular level of health is dependent upon provision of effective and efficient health services, their utilisation by the beneficiaries and conscious and deliberate efforts by the community to improve the health status of individuals comprising the community, through personal and community measures. The latter depend to a large extent on the level of development of a community, though the

process of such a development can be stimulated to some extent by the health functionaries. With regard to the delivery of health services, the health organisations need to produce a balance between planning, implementation and evaluative efforts. Concentrating on one with the attendant neglect of other dimensions is not going to produce adequate results. The development and existence of very attractive, lengthy and nicely bound documents related to formulation of policies and plans which (a) satisfy the ego of some individuals in ministries of health and relevant sections or divisions of central planning bodies, (b) are also sometimes indicative of existence of 'consultants of international agencies' as partners in the game, and (c) remain on the shelves of ministries of health, is too well known to anyone. These could not produce any result because attention of a corresponding magnitude was not given to the strengthening of implementational framework. Similarly, evaluations are either not conducted or are inadequately conducted and more often than not, whatever results are available, they are not properly utilised, the evaluative efforts thus remaining academic exercises only. The utility of lengthy and detailed country health programming and mid-term review exercises, in the absence of any efforts at studying and strengthening of implementational framework in a country, needs to be studied in detail. This is in view of a common observation that 80 per cent of the gap between planning and implementation is due to weaknesses in the implementational frameworks in developing countries. It is also not sure whether bringing about changes at micro level in the organisation will not give far better dividends than waiting for occurrence of changes at macro levels. In this context, it will probably be more desirable to work for development of integrated planning and management system rather than working in a dichotomous manner for planning or implementation.

And thinking in the context of integrated planning and management systems, one comes across two types of administrations, viz., those which can be labelled as fire fighting administrations where managers will take actions only when problems arise and those which can be labelled as developmental administrations where managers have anticipatory roles and work for development of organisations through various programmes directed at improvement of personal, groups, inter-group and organisational behaviour. The latter type of organisations try generally to match individuals as well as organisational goals and undertake programmes in the field of management training, education, and development. The two differing philosophies of organisations described above are reflected in the managerial styles of top executives of such organisations and any attempt at change or reform to be effective must begin at the top.

The most formidable challenges which health planners and administrators are likely to face are those related to the task of *rallying political support* and *enlisting community participation*. Both areas are nebulous and no rules of thumb have been evolved so far. Perhaps the difficulty is because of lack

of clarity of potentialities and limitations of these factors. Both, the will and the methodology of taking care of these factors, are required. Knowledge of social sciences in general and political science in particular, development of alternatives through utilisation of planning and management techniques including operational research so that the decision maker can make an appropriate choice and experience of working at grassroot levels for which there is no shortcut, can certainly be of use. Recently, a considerable number of projects have been instituted to know 'how' of enlisting community participation and hopefully in the near future a considerable lead may be available. However, whatever methodologies are developed, they will have to be suitably modified and adapted to different settings on account of the very nature of differences from place to place in the ways of living of the people.

And like primary health care which technically speaking is not a 'new' concept, one is not sure whether the recent interest in community participation is not an old wine in a new bottle, if one only keeps in mind the initiation of community development efforts in the early sixties in some countries.

On the other hand, in addition to community participation, health planners and administrators need the whole hearted cooperation of health functionaries of the organised health services, at various levels of administrative set-up for effective planning and implementation of health programmes. The attitudes of the community in relation to its participation depends upon (a) its involvement right from the stage of planning a programme and (b) whether or not the programme was initiated and endorsed by it. The attitude of the functionaries of the health services system on the other hand is however likely to be the same, irrespective of initiation or endorsement by the community, so long as the programme is implemented by the governmental agencies. In order, then, to obtain such a cooperation, anyone or a combination of the triad of approaches, namely, *education, persuasion and coercion* may have to be used. Each has its short and long range implications which need to be foreseen and actions taken accordingly, keeping in mind the socio-administrative milieu, the magnitude of problems and the urgency of the required solutions.

Health services in all developing countries, wherever they have not been nationalised or where the entire population is not covered by insurance systems, have not found satisfactory mechanisms for providing services to the indigent populations. A problem even of greater magnitude is the one related to the extra ordinary burden placed on health services in terms of looking after the floating populations around construction activities such as irrigation canals, dams, or housing project, etc. An extreme example of floating populations is in terms of victims of natural calamities or refugees from war-torn areas. The solution perhaps lies in (a) development of disaster plans, (b) providing for health allocations in plans of various sectors, and (c) increased efforts at inter-sectoral allocations.

### HARNESSING OF RESOURCES

The harnessing and coordination of various resources to meet the needs, felt or unfelt, of communities, especially when resources are scarce as in developing countries, is a recognised form of planning effort. However, this is one area which has not been given sufficient attention by agencies predominantly governmental, federal, provincial and local, on the one hand, and health, railways, defence and labour ministries which are charged with the task of undertaking planning activities, on the other hand. Generally, voluntary agencies, on account of their philanthropic nature, concern themselves and are initiators of programme in relation to such problems or diseases which have social stigmas. The private organisations confine themselves to the richer section of society and cater to the need for curative services mostly. Whatever is not taken care of by private or voluntary organisations, has of necessity to be taken care by governmental organisations. More often than not cooperation and coordination which is required for the efficient and effective utilisation of resources of these different types of agencies is lacking seriously. Methodological difficulties revolve around lack of national or community perspective and competitiveness between these agencies and the different goals and objectives.

It is a golden principle that whenever you cannot 'confront', you must 'compromise'. In various situations the policy makers, planners and administrators come into conflict with various vested interests, for example, in the use of generic names for drugs or in curbing the growth of curative services which normally occurs at the expense of growth of preventive services. The most important and powerful amongst the vested interests are the clinicians and the importance of the application of 'stethoscope' is too well known to all concerned. It only requires a higher up to fall ill and the clinician can then get anything done. The compromises which are often necessitated by the powers of such interests can take any shape ranging from small favours to huge gains including shift of emphasis in policies. An example of such a compromise taken from the health policy document of a country is given below:

...The pace of investment in hospitals and curative services has to be slowed down, linking it rationally to a national policy on urbanisation. One can however hope that extensive provision of preventive, promotive and public services would go a long way to relieve the burden of curative health system to a large extent. Even so there would be a need to provide an increasing number of hospital beds,...

The last sentence is enough to undermine all the thinking that led to the building up of the needed emphasis for preventive services in the policy document referred to.

Individual excellence in terms of dynamic and enlightened leadership as well as the collective strength of personnel working in an organisation are necessary and complementary to each other, for the growth and development of organisations. In the long run, the development of systems is more necessary rather than be satisfied with one or two individuals of excellence at the helm of affairs in an organisation, especially when operations have to be transferred from small scale to large scale. The examples of sudden crumbling and collapse of institutions and organisations which depended upon enlightened and dynamic leadership for their effective and efficient functioning and not upon the development of the system, when such leaders disappeared from the scene, for various reasons, are not difficult to find. The Asian cultures have a tilt for individual excellence and they will have to be weaned away from it in favour of the development of systems.

Each of the party from amongst the politicians, bureaucrats, technocrats and the community, have clear and distinct roles to play in the developmental process, which should be complementary to each other. However, in practice, their functioning is in a fragmented manner. The community often feels that their needs, most often felt ones, are not being met. The politicians at the time of elections or otherwise exploit the community by giving false promises, even knowing fully well that they cannot be fulfilled completely. They also blame the bureaucracy for raising obstacles and retarding the speed of developmental process, because of their rigid attitudes in following the rules and regulations according to the letter and not in a spirit of doing things. The technocrats, particularly the clinicians, often try to get favours from politicians in terms of obtaining prized postings tied up with the possibilities of enhancing their private practices or of expansion of their wards, or equipment or other facilities. The bureaucrats blame the politicians for causing irregularities by their irrational attitudes. The worst hit in this game is the socalled 'unseasoned technocrat administrator' who has lost the skill of a clinician and hence the influence he could have exerted and who has not yet fully learnt the games or tricks of the trade, barring a few exceptions, which bureaucrats are capable of playing, having learnt these on the job, over the years. While a long range solution of these problems perhaps lies in a graded training in planning and management of health services of potential medical administrators, in the short run orientation programmes preparing them for assuming leadership roles will have to be instituted.

Political expediency in terms of an apparent desire to achieve and demonstrate quick results, after assumption of office by a particular political party or individuals, is a normative feature of stable as well as unstable governments, democratic or otherwise. It is a consequence of a number of wide sweeping promises given by politicians during elections which in some situations may be quite frequent. Most often such promises relate to location of health service facilities and personnel matters rather than policy issues. The arguments of rationality provided by the technical-cum-bureaucratic

apparatus of the government are allegedly thrown into the background by the politicians. While it is true that technical analysis and administrative considerations in planning and management should be given an appropriate weightage, one cannot view politicisation of the decision-making process in a negative sense of 'political interference', since planning and management is supposed to take place in the context of a particular political system. The development of policy framework and long-term plans can to some extent bring in more rationality or, conversely stated, can minimise the so-called 'political interference'. However it is not clear whether the desires of politicians to bring in reality in the decision-making process, on account of their better understanding of the masses in view of their being close to them as compared to bureaucratic machinery in 'ivory towers' far removed from real life situation, can at all be called as political interference having only a negative connotation.

#### HEALTH BUDGET

It has often been seen in relation to the budgetary systems of the countries of the region, that if per chance, out of the budgetary allocation for a particular year, less money is spent, the allocation for the next year may be smaller by an amount which remained unspent. The rule seems to be that you get in the following year what you spend in the earlier year. Such a system is not conducive towards obtaining efficiency and hence leads to wastage of resources. It is a common observation that all the unspent amounts are spent in the last month or in the quarter of the financial year either according to the budgetary heads or by reappropriations amongst the budgetary headings mostly to effect purchase of drugs, materials, other supplies, and equipment. The result is that either higher payments are made or stocks sometimes of a lower quality are taken over after the financial year has ended. In both cases the purchasing agencies, mostly governmental, are the losers and the suppliers are in gain. The relevance and the practicability of the techniques of planning, programming, budgeting system (PPBS) and performance budgeting need to be seen in this context.

Health organisations are consumers of the products (manpower and researches) of training and research organisations, university based or otherwise. The necessity of their functioning in unison, and not in dichotomy, both on theoretical grounds and available experiences in a number of situations, is too well known. However more often than not a gulf exists between these bodies and the mechanisms to bridge it have not been developed. It requires a basic understanding of the supremacy of national interest and of the task of meeting the needs of the community to whom they are responsible, directly or indirectly. More often the problem is on account of defective organisational structures in countries with the medical colleges being under the control of the department of universities or education. Major

administrative reforms then are required for effecting changes in such organisational situations.

One of the mechanisms utilised by higher level national organisations as well as bilateral and international organisations to induce communities or organisations to accept a particular programme is the so-called aid or grants. Tied, untied, matching or corresponding are some of the terminologies used to express such incentives which are mostly of a financial nature. Recently the recipients have developed the ability to see through the implications of such incentives particularly in the context of budgetary procedures related to various plans in terms of their becoming liabilities in the successive plans. The phenomenon can be considered as one of *baiting* and is sometimes utilised to soften the blocking administrators as is illustrated below:

...chairman told members of a group in a closed door meeting. 'Let us have him (the Chief of a reputed national institution) as a short-term consultant to study the management processes in the countries of the region. All of you perhaps know that he has approached me as well as some of you many times.' Quickly replied one of the members on the other side of the table, 'But what does he know of management and what sort of report he will prepare?' The chairman said, 'You may perhaps be right, but as you know it will help us soften him a little bit so that he can start releasing the experts from his organisation for consultancy work in respect of which he has proved to be a block.' The members said, 'Of course, in this context, perhaps all of us will be in agreement.'

The trade off of baiting are sometimes quite high, the question is for whom?

In efforts to bridge the gap between developed and developing countries, attention needs to be given for proper direction as well as speed as discussed earlier. The search for proper direction creates a need for undertaking research activities as the problems being faced by developing countries are different quantitatively and qualitatively. On account of limitation of resources, however, it is recognised that the developing countries should undertake applied research and, so far as basic research is concerned, one can depend upon researches conducted by the developed countries. The situations in the countries are, however, contrary to this fact. The institutional framework for applied research in health services administrations either does not exist or if it exists, it is very inadequate. On the other hand biomedical researchers have made such deep inroads that they have overshadowed all attempts at initiation of health services research.

By the same token, the need for various disciplines to come together in the spirit of give and take and to work as equal partners, not foregoing of course the right of leadership of a particular sector as well as discipline, depending upon the type of problem under consideration, is well realised. However the development of multidisciplinary teams have been one of the most difficult tasks either within the health sectors or other sectors taken

alongwith. Creation of functional groups or divisions in addition to the existing disciplinewise departmental structures and the problems arising out of the functioning of such groups or divisions *vis-a-vis* departments are too well known especially in training and research organisations. In this context, the reasons for non-development of multi and interdisciplinary teams need to be studied in detail in order to find possible leads for solutions of such a vital problem which is basic for undertaking team building and institution building activities.

#### IN SUMMARY

A number of issues and dilemmas related to planning and management of health services, arising out of recent developments and the challenges posed by them to policy makers, planners and administrators of health services have been described in the foregoing pages, in the context of the Asian scene without any intention whatsoever to condemn individuals and organisations. Rather it is with the sincere purpose of learning from mistakes as well as experiences of individuals, organisations and countries for the mutual benefit of each other, that the present attempt has been made. It is hoped that it will stimulate thinking at various levels and help pave the way for mutual learning through technical cooperation amongst developing countries.

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<sup>8</sup>Robert Miewald, *Public Administration. A Critical Perspective*, New York; McGraw-Hill, 1978, pp. 21-22.

# **Development Theory and Administration A Fence Around an Empty Lot?**

**J. Nef and O.P. Dwivedi**

THE DECADE of the 1960s was not only an era of general prosperity but also one of pervasive intellectual optimism throughout the world. The inspiration of visionaries and the belief that modernisation and technology would surmount any obstacle to human progress were orders of the day. It was thought that with sufficient foreign aid and a revamped administrative system, third world countries would trail, if not achieve, the industrial and technical levels of the west.<sup>1</sup> There was confidence that an administrative state would triumph with the help of new tools of development administration. Examples of reconstruction and rapid recovery in western Europe and Japan were used to strengthen this belief. And so when multilateral foreign aid programmes were inaugurated in the 50s, western social scientists, administrators, and 'social engineers' envisioned a world utopia: new societies, new frontiers, national integration and global development through technical cooperation. Several 'wars' were fought with the emerging administrative hardware: the war on poverty, the war on underdevelopment and the cold war. Development aid and administration became also mechanisms to combat insurgency and movements of national liberation throughout the third world. Administrative and military modernisation—both closely related developments—became the operational mechanisms for the preservation of western ascendancy over the 'developing' areas.<sup>2</sup> Somewhere between the war on poverty and the Mekong Delta the administrative paradise came to an end. As Miewald has somewhat sarcastically put it:

... (A) new corps of 'take-charge' technocrats... asked whether the bureaucratization of violence was possible. Oddly enough, they convinced themselves that the answer was yes. There followed all those strange manifestations of war with bureaucrats in command... The administration

<sup>1</sup>Garth N. Jones, "Frontiermen in Search for the 'Lost Horizon'..." *Public Administration*, Vol. 36, No. 1, Jan.-Feb. 1976, p. 99.

<sup>2</sup>Brian Loveman, "The Comparative Administration Group, Development and Anti-Development," *Public Administration Review*, Vol. 36, No. 6, Nov.-Dec. 1976, p. 620.

<sup>3</sup>Robert Miewald, *Public Administration, A Critical Perspective*, New York: McGraw-Hill, 1978, pp. 21-22.

of violence was supposed to be just another job. Some people would deliver mail, some would prepare welfare checks and some would shoot bullets at those funny little men in black pajamas.<sup>3</sup>

The early 1970s marked a rude awakening to the inadequacies of the developmentalist paradigm of public administration to cope with urgent problems. What was peculiar of the crisis of development administration in the 70s was that it became one of identity and purpose with seemingly devastating effects on the entire field of public administration. Assumptions, methodology and focus became increasingly irrelevant. In fact, development administration apparently plunged after the accelerated growth of the 60s into the depth of intellectual 'depression'.

We attempt, in this paper, to explore a number of factors underpinning the crisis of the development administration paradigm. We believe that the field of development administration has been constructed, in the past, upon a series of often tacit assumptions about the context of administration. Especially important here are the role and importance of the transfer of technology, the inevitability and superiority of both capitalism and liberal democracy and a vision of 'development' seemingly oblivious of the historicity of other cultures. We also feel that the conceptualisations and hypotheses over which the development theories and models of development administration were built were based on the acceptance of the inherent rationality and effectiveness of the bureaucratic model. They were constructed as well on the optimistic belief that development was either an unavoidable consequence of history or the natural outcome of bureaucracy when modernised. These and other relevant issues will be examined in this paper. Specifically, we pose the following four questions: (1) Which have been the major conceptual undercurrents of the 'development administration' paradigm and which were the basic issues, motives and circumstances which resulted in its emergence? (2) What is 'development administration'? What makes it distinguishable as a body of theory and praxis and which are its core assumptions? (3) What have been the main challenges—epistemological and contextual—that have confronted 'development administration' and what are the consequences of these challenges? (4) Finally, which are the prospects for the field as new concepts of development and administration and new world scenarios are beginning to emerge?

### THE CONCEPT OF DEVELOPMENT ADMINISTRATION

#### *Lineage and Evolution*

The term 'development administration' is of relatively recent origin.

<sup>3</sup>Robert Miewald, *Public Administration. A Critical Perspective*, New York; McGraw-Hill, 1978, pp. 21-22.

One could argue, though, that when the Comparative Administration Group of the American Society for Public Administration and the Committee on Comparative Politics of the Social Science Research Council of the USA<sup>4</sup> gave formal recognition to the field in the early 60s, the intellectual foundations of the movement had been laid down during the earlier three decades. The concept 'development administration' has been almost exclusively used with reference to the 'developing nations' of Asia, Africa and Latin America.<sup>5</sup> It was first coined by Goswami in 1955 and then popularised by Riggs and Weidner. The conceptual paradigm has been distinctively western, though. Yet two different interconnected Euro-American traditions converge in it: One of these streams of administrative thought is the result of an evolving trend of scientific management started at the turn of the century with the administrative reform movement. The second current is the somewhat newer trend towards national planning and government interventionism which emerged as a direct consequence of the depression, World War II and the post-war reconstruction. The events between the collapse of the old international economic order and the attempts to establish a newer one at Bretton Woods and San Francisco in 1944 and 1945 had welded these two currents of administrative thought into a new synthesis. We could call this 'model' one of crisis management and reconstruction administration. Four successive historical circumstances have influenced the emergence and evolution of the concept of 'development administration'. These are the scientific management movement, the joint impact of the great depression and World War II, the task of post-war reconstruction, and the ensuing cold war—the global struggle for hegemony between the US and the USSR.

#### *The 'Scientific Management' Orthodoxy*

Scientific management and the administrative reform movement largely responded to a business elite reaction against the excesses of machine politics and the spoils system. In an intellectual atmosphere dominated by empirical positivism, *laissez-faire* liberalism, free trade, balancing colonial powers and an untarnished faith in evolutionary progress, scientific management was perceived as an application of engineering principles to social organisation. The major problems confronted by the reformers were both moral and technical. The concern with eliminating corruption and taking 'administration out of politics' stemmed from sound business practices of efficiency and from a strong belief in the congruence between rationality, efficiency and morality.<sup>6</sup> It is here that concepts such as the separation between politics

<sup>4</sup>Social Science Research Council. Cf. La Palombara (ed.), *Bureaucracy and Political Development*, Princeton : Princeton University Press, 1963, pp. ix-x.

<sup>5</sup>Nimrod Raphaeli (ed.), *Readings in Comparative Public Administration*, Boston, Allyn and Bacon, 1967, pp. 3-6.

<sup>6</sup>Lawrence O'Toole Jr., "Lineage, Continuity, Fredrickson, and the 'New' Public Administration", *Administration and Society*, Vol. 9, No. 2, Aug. 1977, p. 234.

and administration (ownership from management in the firm), span of control, hierarchy, unity of command, balanced budget and the like acquire great relevance. In fact, all these 'principles' were formulated, among other reasons, to eliminate waste, to improve output, to maintain financial solvency and to maximise utilisation of resources. As far as the overall functions of administration are concerned, classical liberalism explicitly restricted the role of government to 'conventional' tasks such as law and order, tax collection, defence or diplomacy.<sup>7</sup> Although the field of public administration became highly formalised (and at times as explicit as that of the natural sciences) its focus remained mostly micro-analytical. The unit of analysis was either the job in the organisation or at best the agency itself.

*The Neo-Orthodoxy of Crisis Management and Reconstruction*

With the great depression, many of the political and economic assumptions of the theories of scientific management came into question. In fact, what emerged was a radical reformulation of the old presuppositions about the role of the state. By the mid-1930s state interventionism had become an accepted fact in the capitalist world. Not only had it become disentangled from the old perceptions of Bolshevism, increasingly it had become a necessary artifact for the preservation of the socio-political formations of liberal capitalism. Massive government interventionism through schemes like TVA in the US, development corporations in Europe and Latin America, and a variety of sectoral and regional programmes of economic recovery, provided the necessary stimulus to refloat the troubled economies of the industrial west. The fascist experiences constituted as well similar attempts at a national capitalist mode of induced development.<sup>8</sup> In a sense, one could argue that both the New Deal and European corporatism performed a similar function: they provided, under different ideological guise, a mechanism to shore up the market economy. The greatest stimulus for economic recovery, however, was war production. Besides its economic impact it would provide an environment conducive to a high degree of central planning and bureaucratisation under conditions of consensually accepted social control. The war effort consecrated in a matter of fact a great number of administrative, political and economic adjustments which otherwise could have been extensively resisted. In sum, the 'new orthodoxy' in public administration, whilst retaining many of the efficiency-oriented features of scientific management would include a number of unique characteristics. These were mostly related to two developments. On the one hand, they resulted from a drastic reformulation of economic and political thinking related to the role

<sup>7</sup>Donald C. Stone, "Tasks, Precedents and Approaches to Education for Development Administration", in IIAS, *Education for Development Administration*, Brussels: Maison Ferdinand Larcier, 1966, p. 41.

<sup>8</sup>Cf. Helio Jaguaribe, *Economic and Political Development. A Theoretical Critique and a Brazilian Case Study*, London, 1970.

of the state. On the other hand, they were also the result of a definitely macro-analytical and growingly contextual view of public administration.

As far as the political and economic theory of the 'new' orthodoxy is concerned, neo-liberalism gave the government a new mission: a decisive managerial role in preventing the undesirable effects of the economic cycle. Beyond this anticyclical function, the state assumed a leading task in procuring economic prosperity and full employment mainly through furthering industrialisation by stimulation or direct investment. The educational, science and research role of the state (that is innovation and technological modernisation) was equally expanded. The same was the case with the provision of social security and welfare functions. The combination of this multitude of new tasks did spell one central organisational trait: big government. With management substituting for executive administration, some tenets of the old conventional wisdom lost part of their earlier scientific appeal. This was especially the case with the time honoured 'virtues' 'like balanced budget, fiscal restraint, or the separation between 'politics' and 'administration'. In fact, the new vision of management required to seek continuous mobilisation and participation of the public in government projects. Planning, problem-solving and innovation to cope with unpredictable environmental circumstances became central aspects of the emerging model. Whilst 'development' as such was not an *explicitly* enunciated goal, recovery, reconstruction and import substitution were. From a broad perspective, the role of the state was seen as correcting and rebuilding economic processes. Besides, untangling bottlenecks and providing leadership in those areas where the private sector had proven ineffective, the public sector was supposed to join forces with the private sector in mixed economic undertakings to increase employment and productivity. This sort of arrangement, despite its vaguely Fabian flavour, was not intrinsically 'socialist.' The basic nature of the process of private capital accumulation was not substantially altered by the French *Etatisme*, the New Deal, the Italian and German fascism or the Latin American import substitution schemes. In fact, big government became largely a functional condition for the continuation and expansion of big business, not its grave-digger.

#### *Post-War Challenges to the Administrative State*

With the end of World War II, a myriad of new contextual factors would pose further challenges to the 'administrative state'. (a) An issue of first priority was European reconstruction. The American response to the European challenge was the Marshall Plan. This gigantic task was aimed at providing a massive infusion of foreign aid thus establishing conditions for rebuilding the devastated economies. Furthermore, it was intended to give stimulus for accelerated and sustained economic growth to 'catch up' and for self-sustained growth. In the Marshall Plan, reconstruction and development were seen as two sides of the same coin and were conceptualised almost

Nkrumah, *Neo Colonialism: The Last Stage of Imperialism*, London; Nelson, 1965.

inter-changeably. Ever since, the Marshall Plan would become the prevailing model of western development through aid.<sup>9</sup> In fact, the terms reconstruction development and planning became inextricably linked to foreign aid; (b) A second contextual factor emerging with the end of the war was a radical transformation of the international system. The age of imperialism came to an end and a rapid process of decolonisation began. The world political structure would shift away from a European-centred system of multipolar balance to a rigid bipolar one. The emergence of two super powers with diametrically opposing economies and ideologies, coexisting in an uneasy climate of entangling mechanisms of collective defence<sup>10</sup> would characterise the new era, one of cold war; (c) In the realm of international organisations, the creation of the United Nations would have a fundamental impact in changing the fabric of the international system. True, the collective security role of the UN proved to be less effective than its framers dreamed. A number of functional areas of international cooperation and development, however, gave the organisation a new direction: the promotion of change through multilateral technical aid and finance. All through the 50s and early 60s the developmental role of the UN would become a dominant feature of the organisation and its related programmes and agencies. (d) Finally, and most important, a 'third world' of new nations would come into being.<sup>11</sup> With the exception of Latin America, the 'third world' was a legacy from the prewar colonial order dominated by European powers. As the process of decolonisation started, the cold war amongst northern superpowers moved southward. The end of the imperial system had given rise to a new—albeit subtler—dependency structure: neo-colonialism.<sup>12</sup> The efforts by the leadership in the new nations to transform formal diplomatic sovereignty into real economic sovereignty would become increasingly conflictual with the west whose prosperity still depended upon the captive markets of Africa, Asia, the Middle East, and Latin America. A new breed of essentially anti-colonial and anti-*laissez-faire* nationalism would emerge in the former colonial territories. This expression often took many forms: from wars of national liberation under the banners of 'national-communism' to ambiguous '*statism*' supported by a native *comprador* and bureaucratic bourgeoisie. In China, Malaysia, the Middle East, Indonesia, South East Asia, India, West or East Africa, a new wave of expectant peoples would strain the emerging neo-colonial order whilst tearing down the remnants of

<sup>9</sup>C. Sanger, "Pearson's Eulogy", *International Journal*, No. 325, 1969-70, p. 179.

<sup>10</sup>Arnold Wolfers, *Discord and Collaboration. Essays on International Politics*, Baltimore, The Johns Hopkins Press, 1962, pp. 81-115.

<sup>11</sup>Irving Louis Horowitz, *Three Worlds of Development. The Theory and Practice of International Stratification*, New York, Oxford University Press, 1966, pp. 3-14.

<sup>12</sup>The term was used by then Ghanaian Premier Kwame Nkrumah to refer to the newly independent nations under the trappings of a "new state of imperialism". Cf. Kwame Nkrumah, *Neo Colonialism: The Last Stage of Imperialism*, London; Nelson, 1965.

the imperial system. Bandung would be the first forum for these aspirations in 1955. Development had become the dominant issue in the third world. In the coming decade, the west would respond to the development challenge in a number of ways.

### *Lessons from the Marshall Plan*

Since the inception of the Marshall Plan, a thought had become central in western foreign policy: prosperity was seen as an antidote to the spread of communism and other radical solutions.<sup>13</sup> Events in Asia during the late 40s and early 50s confirmed the apprehension that unless economic growth by diffusion of western capital, technology and institutions would take place, revolutions would become inevitable. Both the Colombo Plan and President Truman's point four programme constituted the earliest western attempts at exogenously induced development through foreign aid. On the whole, the Marshall Plan model dominated the development strategies, although the complexity and enormity of the task was clearly far beyond the possibilities of Marshall-type aid. It was also obvious that from the onset underdeveloped countries, whose economies and socio-political structures had evolved in the periphery of a colonial system were not in a similar position to that of the war-ravished Europe which had never experienced under-development. The latter required a reconstruction effort through infusion of capital and technology to continue their pre-war course. The former were in a completely different situation. In concrete terms, development aid from the west was precisely directed to maintain and 'modernise' existing economic structures, not to redirect colonial misdevelopment.<sup>14</sup>

Despite this abysmal difference between the 'centre' and the 'periphery', the Marshall Plan became the standard 'model' for development. The technical aid schemes mentioned earlier and the UN first and second development decades were nothing but expressions of the accepted doctrine. Thus, development administration emerged closely tied to foreign aid and western formulae for development planning which were supposed to have equal (and universal) applicability in the third world.<sup>15</sup>

### DEVELOPMENT ADMINISTRATION AND THE ADMINISTRATION OF UNDER DEVELOPMENT

Development had become an intellectual fixation in American social science in the early 50s. In fact, developmentalism had come to mean the most effective strategy against insurgency and socialist modes of socio-

<sup>13</sup>Brian Loveman, "The Comparative Administration Group, Development and Anti-Development," *Public Administration Review*, Vol. 36, No. 6, p. 618.

<sup>14</sup>C.R. Hensman, *Rich Against Poor. The Reality of Aid*, London, Penguin, 1975, Chapter 3, *passim*.

<sup>15</sup>Loveman, *op. cit.*, p. 619.

economic organisation. As a popular book sponsored by the Council of Foreign Relations suggested :

The future of the underdeveloped countries in Asia, Africa, and parts of Europe and the Americas is a vital matter for the future of Western civilisation, including, of course, the security and the way of life of the American people. Economic development of these areas in cooperation with the West is a necessary part of the conditions for Western survival and for the survival in the world of some of the West's most important contributions to human progress... Should the Communist power block, however, succeed in bringing most of the underdeveloped countries into their orbit and cutting their links with us, the effect in our security would be disastrous.<sup>16</sup>

Following *The Stages of Economic Growth: A Non Communist Manifesto*<sup>17</sup>, the 'political development' literature sought to search for the 'non-economic', institutional conditions for accelerated, though orderly, economic growth. As far as the role of public administration in the aforementioned process is concerned, two interrelated visions prevailed. One originated within the Committee on Comparative Politics of the Social Science Research Council, especially within the political development group. The other juxtaposed 'vision' of public administration in development came from the Comparative Administration Group of the American Society for Public Administration. Whilst both shared many of the assumptions of the neoliberal orthodoxy, a difference of focus existed. For those in 'political development' public administration was perceived as an institution contributing mainly to stability and *systems maintenance*. In their view, 'bureaucratisation' was a functional condition for stability and maintenance of legitimacy in the political order (*i.e.*, 'political development'). As for those in Comparative Public Administration, 'modern' administration (*i.e.*, 'bureaucratic' administration) was essentially a mechanism for the *attainment of developmental goals*. This way, the key role of bureaucracy was seen as a processor to provide planning and an institutional infrastructure to convert inputs of objectives, capital and know-how (or in general 'information' and 'energy') into developmental outputs.<sup>18</sup> In the words of Donald Stone :

Development Administration is the blending of all the elements and resources (human and physical) . . . into a concerted effort to achieve

<sup>16</sup>Eugene Stanley, *The Future of Underdeveloped Countries, Political Implications of Economic Development*, New York, Praeger, 1961, pp. 3-4.

<sup>17</sup>Cf. Walter W. Rostow, *The Stages of Economic Growth. A Non-communist Manifesto*, Cambridge, Harvard University Press, 1960.

<sup>18</sup>Charles T. Goodsell, "The Information Energy Model and Comparative Administra-

agreed-upon goals. It is the continuous cycle of formulating, evaluating and implementing interrelated plans, policies, programs, projects, activities and other measures to reach established development objectives in a scheduled time sequence.<sup>19</sup>

Such characterisation of development administration emphasised the formal and technical aspects of the government machinery. Developmental goals were assumed to be agreed upon by the local—(and western)—elites. These goals were usually referred to as 'nation-building and socio-economic development'.<sup>20</sup> Swerdlow has identified two interrelated tasks in development administration: institution building and planning.<sup>21</sup> Other authors have outlined a number of other development oriented activities such as the management of change, establishing an interface between the 'inner' environment and the larger intra-and extra-societal context,<sup>22</sup> and the mobilisation of physical and human energies and information and their subsequent conversion into policies and actions.<sup>23</sup> Also, development administration is seen as concerned with the will to develop, the mobilisation of existing and new resources, and the cultivation of appropriate capabilities to achieve the developmental goals. Thus development administration becomes an essentially action oriented, goal oriented, administrative system geared to realise definite programmatic values. J.N. Khosla has remarked that "Development administration not only envisages achievement of goals in a particular area of development by making a system more efficient, it must also reinforce the system, imparting an element of stability as well as resilience to meet the requirements of future developmental challenges."<sup>24</sup>

#### ASSUMPTIONS OF DEVELOPMENT ADMINISTRATION

Development administration was contingent upon four clusters of assumptions. These were: (a) a methodology or epistemological foundation, (b) a theory or paradigm of development, (c) a theory of 'the public' or

<sup>19</sup>Donald C. Stone, "Tasks, Precedents and Approaches to Education for Development Administration," in Stone (ed.), *Education for Development Administration*, (IIAS), Brussels, Maison Ferdinand Larcier, 1966, p. 41.

<sup>20</sup>Milton D. Easman, "The Politics of Development Administration", in Montgomery and Siffin (eds.), *Approaches to Development, Politics, Administration and Change*, New York, McGraw-Hill, 1966, pp. 69-70.

<sup>21</sup>Irving Swerdlow, *The Public Administration of Economic Development*, New York, Praeger, 1975, pp. 15-19.

'political theory', and (d) a 'theory' of administrative organisation and behaviour.

#### *Methodological Assumptions*

Development administration was nurtured by the prevailing social science vogue of the late 50s and 60s. In this respect, three main traits can be postulated: (a) One was emphasis on *contextualism*,<sup>25</sup> and on the 'ecology' of administration. (b) The second was an *interdisciplinary* flavour blending a multitude of methods and concepts "which did not fit into classical political science or Western public administration... subjects dealing with modernization and nation-building, and with various administrative structures, functions and behaviours."<sup>26</sup> (c) The third methodological trait was *logical-empiricism*: an expressed concern with theory building and the testing of propositions through empirical analysis.<sup>27</sup> Functional structuralism, systems analysis and behaviourism greatly influenced the field and provided a significant measure of integration of development administration into large conceptual structures.

#### *Assumptions About Development*

Development administration emphasised the 'developmental' role of the public sector. It rested upon a series of images of development which had become predominant in western thought throughout the 60s. Although these images did not constitute a unified 'development theory', a relatively identifiable paradigm did exist. Five major themes can be identified. One is that development could only be attained by 'modernisation'<sup>28</sup> (*i.e.* westernisation), that is to say, by the diffusion of western values and technology. The second is that the predominant feature of development is economic development, the latter defined in terms of growth<sup>29</sup> (*i.e.*, the expansion of GNP per capita over a period of time). The third is that quantitative change (economic change) would produce a 'critical mass' leading to qualitative changes. Sequentially economic growth would bring about social changes which, in turn, would bring about political 'development'. Structurally, an expansion of wealth in the hands of an investor elite would 'trickle down' bringing generalised prosperity and a higher standard of living. The fourth theme is that the process of development historically entails the movement of societies between a 'traditional' agrarian stage of 'underdevelopment' and one of 'development' after the 'take off' stage (*industrial*). All societies are postulated

<sup>25</sup> Springs, *op. cit.*, p. 14; Goodsell, *op. cit.*, 161; Fred W. Riggs, *Administration in Developing Countries*, Boston, Houghton, Mifflin Co., 1964, p. 399.

<sup>26</sup> Nimrod Raphaeli, *op. cit.*, p. 18.

<sup>27</sup> Riggs, *op. cit.*, p. 399.

<sup>28</sup> Swerdlow, *op. cit.*, p. 345.

to be 'developing' or in transition between these two poles. Furthermore, all nations are said to have been at one time underdeveloped. For instance, today's industrial societies were once agrarian and feudal. By sheer cumulation or induced changes in their social structures and value systems they became developed. What is more, the paradigm postulates that once a region becomes developed, capital, technology and ideas would, in turn, bring development to other areas. The fifth main developmental underpinning of development administration is the emphasis on harmony : 'stable and orderly change'<sup>30</sup>. Development in this context is perceived not only as the attainment of change but mainly as adaptation and systems-maintenance. The diffusionist idea of development is an expression of this ideological bent. In a practical way, a great deal of the US literature on the subject prescribed development (*i.e.*, reformism) as an antidote to insurgency and revolution. Nowhere this identification became clearer than in AID policies, in the Alliance for Progress and in the 'civic action' part of counter insurgency<sup>31</sup>. At home, 'community development' in depressed areas (rural poverty and urban ghettos) is seen as an alternative to security operations and crime control. The war on poverty thus becomes for all intent and purposes a 'softer' alternative than a war on the poor.

#### *Assumptions about 'the Political'*

Any view of public administration has to rest necessarily on a conception of the state—the political 'order'. A theory of public administration without a theory of 'power' is bound to be purely formal and often irrelevant. Two political assumptions are particularly germane to development. One is the identification of 'political development' with the idea of liberal democracy.<sup>32</sup> 'Stable and pluralistic democracy' is both an empirical and a normative concept. For most western political analysts it is the last stage of the political evolution of a society and an ideal form of political organisation. This notion has been attached to public administration since its foundation long before 'political development' was conceptualised in the 50s. Poliarchy, participation and 'inputism' in general are salient features of the political model.<sup>33</sup> The role of the public sector here is perceived as responding

<sup>30</sup>Susanne Bodenheimer, "The Ideology of Developmentalism: American Political Science's Paradigm—Surrogate for Latin American Studies", *Berkeley Journal of Sociology*, 15, 1970, pp. 95-137.

<sup>31</sup>See, for instance, Bernard Fall, "Theory and Practice of Insurgency and Counter-insurgency", in Smith and Johns (eds.) *American Defence Policy*, (2nd edition), (Baltimore: The Johns Hopkins Press, 1968), pp. 271-279.

<sup>32</sup>Phillips, Cutright, "National Political Development. Measurement and Analysis", *American Sociological Review*, Vol. 28 (April 1963); also in Blondel (ed.), *Comparative Government. A Reader*, London: Macmillan, 1971, pp. 42-50.

<sup>33</sup>Donald Cruise O'Brien, "Modernization, Order and the Erosion of a Democratic Ideal: American Political Science 1969-1970", *Journal of Development Studies* (July 1972), pp. 351-378.

## *Development Theory and Administration*

and facilitating the 'free-flow' of competitive market politics. A second assurance in the 'political theory' of development administration is the idea of *sovereignty* expressed in terms of autonomy of the nation state. Both international relations and comparative politics consider nation states as the most inclusive and significant units of political analysis. In this sense, a nation state is assumed to be 'hard-shelled' interacting organisms. The state exercises its uncontested authority inside its boundaries. Public administration, public policy (including foreign policy) and development are 'national' and express only a domestic will: the national interest.

### *Administrative Assumptions*

The fourth cluster of assumptions refers to the treatment of administrative behaviour as an inherently rational activity.<sup>34</sup> This is particularly relevant in three major aspects of the development administration paradigm (1) the relationship between bureaucracy and rationality, (2) the pre-eminence of technology, and (3) institutional transfers.

*Bureaucracy, Efficiency and Rationality* : A basic assumption of 'development administration' has been the identity between bureaucracy and rational administration. Since the times of the reform movement and scientific management, the notion that large scale, rationally oriented and hierarchically ordained organisation was at the apex of efficient social engineering constituted an accepted 'principle'. In the Weberian 'ideal type' construct internal efficiency and external effectiveness (goal attainment) constituted functionally interconnected traits. Even the 'fact-value' distinction, whilst challenging much of the pseudo scientific verbiage of the 30s and 40s, accepted the efficiency and rationality premises of the bureaucratic organisation. In Simon's view, although one could not equate efficiency and rationality with 'maximisation' of organisational goals, bureaucratic organisation remained eminently rational. By balancing efficiency and effectiveness on the one hand, and the goals of the members of the organisations with the larger institutional objectives, bureaucracies were perceived no longer as rational in terms of 'maximisation' but rather in terms of 'satisfaction'. It should be stressed, however, that whether rationality was maximising or 'satisficing', it still was the dominant characteristic of administrative behaviour in large scale complex organisations.

*Objective Technology vs. Subjective Ideology* : One of the most recurrent themes in public administration has been the pervasive dichotomy between 'politics' and 'administration', although recently this has been challenged. In the sociological tradition, Weber's construct, whilst emphasising the systematic relationships amongst society (*Gesellschaft*), economy (*Wirtschaft*),

political authority (*Herrschaft*) and the nature of the administrative staff,<sup>35</sup> explicitly suggested a structural and functional differentiation between politics and administration in his most 'advanced' bureaucratic type.<sup>36</sup> In a broader context, the above distinction dwells in a central conception of western ideology: technology's control over nature. Administration being the product of social engineering and technology, it is supposed to be ruled by objective universal principles which transcend irrational drives and ideological debate.

*Administrative Modernisation and Institutional Transfers:* One of the lessons that the industrial nations learned from the depression, the war and the Marshall Plan was that reconstruction and recovery could be dramatically accelerated by improved management and organisation. The prevailing 'mood' of administrative analysts and practitioners was that the vast amount of experience in reconstruction management and organisation could be adapted to suit the specific developmental needs of the post-colonial world. In fact, 'development administration' was seen as a mutation from 'colonial administration' by injecting development goals and structures in the old core of civil servants. The task of the developed countries was perceived as the creation of external inducements to change<sup>37</sup> through technical assistance and transfers of technology and institutions. Such strategy of westernisation was directed to both the administrative machinery and to the whole national community. The most fundamental ingredient in the process of induced development would be inputs of foreign knowhow and capital (either in the form of aid or investment). A number of techniques such as programme planning, community development and personnel management, popularised during this era, reflect the aforementioned bent for external inducement towards 'modernisation' and 'westernisation'.<sup>38</sup> Needless to say, such an approach operationally means technological, economic and institutional diffusion from the 'developed' towards the depressed, devastated or under-developed regions. Moreover, diffusion of modern knowhow is perceived as being 'value free' and culturally neutral. A related perception is that institutional imitation is bound to produce similar results to those obtained in the developed world: efficiency, increased rationality and the like. In a very general level, the diffusionist trait in development administration highlight the fundamental link between administrative efficiency and the

<sup>35</sup>Max Weber, "The Essentials of Bureaucratic Organization: The Ideal Type Construction", also "Presuppositions and Causes of Bureaucracy" in Merton, Grey, et al., *Reader in Bureaucracy*, New York, The Free Press, 1952, pp. 18-27, 60-68.

<sup>36</sup>Alfred Diamant, "The Bureaucratic Model: Max Weber Rejected, Rediscovered, Reformed", in Heady and Stokes, (eds.), *Papers in Comparative Public Administration*, Ann Arbor, The University of Michigan Press, 1962, pp. 59-90.

<sup>37</sup>Ralph Braibanti, "Transnational Inducement of Administration Reform: A Survey of Scope and Critique of Issues", in Montgomery and Siffin (eds.), *op. cit.*, pp. 133-183.

<sup>38</sup>Bernard Shaffer, *The Administrative Factor*, London, Frank Cass, 1973, pp. 244-245.

consolidation of bureaucratic characteristics referred to earlier. The more 'developed' (*i.e.*, bureaucratic and western-like) an administrative system became the greater the likelihood it would have developmental effects.

### CHALLENGES TO DEVELOPMENT ADMINISTRATION

The 'decade of development' in public administration lost its impetus by the late 60s. At the end a spirit of frustration and despair with development administration and with development in general had set in. For one thing, it appeared evident that externally induced modernisation had failed to eradicate the basic problems of underdevelopment it purported to solve. Whilst some significant increases of GNP had indeed taken place, poverty, disease and hunger had either worsened or remained unaltered. The same could be said of the growing gap between the rich and poor nations, not to mention that between different social strata within nations. In many regions, incremental reformism had failed to create a more equitable socio-economic order and had proven to be an ineffective antidote to radical change. In fact, frustrated reformism had fueled a revolution of rising frustrations. Large in the horizon loomed the Indo-China experience. It demonstrated that over-administering was neither an efficient nor an effective insurance against revolution.

As for the 'home front', 'development administration' had equally shown poor results. By the mid-60s, several crises occurred simultaneously in the west: urban crises, social upheaval, protests and a deep questioning of institutions.<sup>39</sup> The end of ideology had not come, just the end of consensus and liberalism.<sup>40</sup> The discipline had to "grapple with the effects of the economic and political crises of the domestic and international fronts...Instead of affluence, growth and optimism, the administrative environment (was) being increasingly characterized by scarcity, stasis (or decline) and lowered expectations."<sup>41</sup> Two basic trends are related to this decline. First, at the level of praxis a great deal of the international and domestic development efforts had proven less than impressive. Secondly, at a conceptual level, the failure of development and reformism in general resulted in an expanding analytical void. Increasingly, the objectives, methodologies, and even epistemologies and value assumptions of western social science, especially political, administrative and development theories, would undergo fundamental questioning.

<sup>39</sup>H. George Frederickson, "Public Administration in the 1970's: Development and Directions", *Public Administration Review*, Vol. 26, No. 5, (September-October 1976), pp. 564-565.

<sup>40</sup>Cf. Theodore Lowi, *The End of Liberalism. Ideology, Policy and the Crisis of Public Authority*, (New York : W.W. Norton and Co., 1969), pp. xiii-xvi.

<sup>41</sup>Carl W. Stenberg, "Contemporary Public Administration: Challenge and Change", *Public Administration Review*, Vol. 36, No. 5, 1977, p. 507.

### *The Crisis of Development Strategies*

The failure of the developmental efforts is obviously too complex to be dealt with here in any detail. It should be remembered, however, that by the late 50s and early 60s development was taken for granted. It was 'just around the corner'. All that needed to be done was to establish adequate conditions to induce its becoming explicit. This was the midwife task of development administration. Development administration—the mobilisation of people and resources towards a 'modern society'—in turn, would result from administrative development (*i.e.*, the 'modernisation' of the administrative machinery). This view dominated both development assistance abroad and domestic regional and sectorial policies in the developed world.

It would be sufficient to state that not only development could not be taken for granted any longer by the 70s but also that decaying trends had become noticeable in the third and western worlds. Events like the energy crisis, the growing economic recession in the major industrial countries and a crisis of liberal democracy in the early 70s dampened most traces of early optimism. An increased contradiction between market economics and market politics would undermine some of the once thought most persistent 'civic' traditions of western pluralism. The aforementioned contradiction is rooted in the severe limitations to continuous economic growth to reduce social antagonisms. Its implications, the fiscal crisis of the state<sup>42</sup> and a manifest trend towards stagnation and political stalemate are obviously a 'new' context for public administration.

In the periphery of the west, the crisis was much more severely felt. Consensual-incremental policies have been rapidly displaced by a new order of a 'corporate-technocratic' nature.<sup>43</sup> National security and anti-development policies<sup>44</sup> have substituted for the old 'developmentalist' rhetoric. Characteristic of this new order is the transfer of the system-maintenance and planning function from an elite civil service to a body of bureaucrats in uniform.<sup>45</sup> Mobilisation and participation in the context of national integration as stated goals have been displaced by antipolitics and order. Development planning is thus replaced by social control as the key device of government administration.

Substantively the new 'model' performs essentially the same containment function and maintains the same economic forces that 'development

<sup>42</sup>Cf. James O'Connor, *The Fiscal Crisis of the State*, (New York: St. Martin's Press, 1973), pp. 2, 40-63.

<sup>43</sup>Jorge Tapia-Videla, "Understanding Organizations and Environments: A Comparative Perspective", *Public Administration Review*, Vol. 36, No. 6 (November-December 1976), p. 63.

<sup>44</sup>See, for example, Jean-Louis Weil, Joseph Comblin, Judge Senese, *The Repressive State: The Brazilian 'National Security Doctrine' and Latin America*, (Toronto: LARU) Documents III, No. 2, pp. 30-63; and Loveman, *op. cit.*, p. 620.

<sup>45</sup>Edward Fait, *The Armed Bureaucrats: Military-Administrative Regimes and Political Development*, Boston, Houghton Mifflin Co., 1973, pp. 6-8.

administration' was supposed to maintain. There is a difference, though. The paradigm—called at times 'technocratic-corporatism' or 'institutional model'<sup>46</sup>—emphasises maintenance often at the expense of development, let alone the satisfaction of popular needs. Its administrative 'techniques' go beyond PPBS, O&M, personnel management and the like and into a panoply of manifest state terrorism. Paradoxically, here, whilst the degree of social control increases in 'depth', the scope of government activity usually becomes quite restrained from economic management and social welfare. Administrative development, in this context, is in direct opposition to the neoliberal notion of development administration.

In some twisted way diffusion of 'modern' administrative practices (*i.e.*, administrative development) by the west lies at the core of such anti-developmental tendencies. Two distinct western administrative 'models' outside the mainstream of public administration have overlapped in the 'corporate-technocratic' state. One is the 'modern' military model, particularly that of 'counter-insurgency'<sup>47</sup> and civic action. The other is the most 'modern' form of business administration: the transnational corporation.<sup>48</sup> Although most theorists of public administration and politics in general have neglected the rise of the military establishment, the latter is a bureaucratic phenomenon which developed almost simultaneously with the 'administrative state'. In fact it is analytically and historically almost impossible to understand one without reference to the other. Military administration is *public administration*.<sup>49</sup> Officers are indeed bureaucrats in uniform, performing a highly specialised task: the administration of violence.<sup>50</sup> Furthermore, military structures, objectives, doctrines and techniques—let alone hardware—are amongst the most easily transferred technologies in the contemporary world. With rigid bipolarism and entangling alliances still dominating the interplay between most underdeveloped nations and the west, military professionalism has become the most homogenising bureaucratic trait. Such institutional 'modernisation' also serves as a link between the periphery and the centre.<sup>51</sup>

<sup>46</sup>The term is used to refer to Samuel Huntington's conceptualization which puts a premium on "institutional order" over other considerations. Cf. S. Huntington, "Political Development and Political Decay", in Roy Macridis and Bernard Brown (eds.), *Comparative Politics, Notes and Readings* (Third Edition), Homewood, The Dorsey Press, 1968, pp. 521-558.

<sup>47</sup>Cf. William Barber and Neal Ronning, *Internal Security and Military Power. Counter-insurgency and Civic Action in Latin America*, Ohio State University Press, 1966, pp. 217-245. Charles D. Corbett, *The Latin American Military as a Socio-Political Force*, Miami, Center for Advanced International Studies, The University of Miami, 1972, pp. 13-19.

<sup>48</sup>Cf. Osvaldo Sunkel, "Transnational Capitalism and National Disintegration in Latin America" in *Social and Economic Studies*, Vol. 22, No. 1, (March 1973), pp. 156-171.

<sup>49</sup>Chris L. Jeffries, "Public Administration and the Military, *Public Administration Review*, Vol. 36, No. 4, pp. 321-333.

<sup>50</sup>Cf. Jorge Nef, "The Politics of Repression: The Social Pathology of the Chilean Military", *Latin American Perspectives*, Vol. 1, No. 2 (Summer 1974), pp. 65-67.

<sup>51</sup>*The Manchester Guardian (Weekly)*, January 12, 1974, p. 9.

In this sense, military modernisation, especially along 'counter-insurgency' lines, has induced the transnationalisation of the officer class.<sup>52</sup> This in itself is a major departure from the more traditional view of hard shell sovereignty in the nation state.

Regarding 'modern business', the model of the transnational or cosmo-corporation has meant a substantial diffusion of organisational technology as well. It has provided a vehicle for the transnationalisation of a corporate and managerial elite. Since these two organisational developments are functionally—or symbiotically—related, the impact upon traditional conceptions of the state and especially upon the practice of public administration is quite significant. The corporate technocratic state becomes the marrying between the highly specialised and efficient exercise of violence by the 'public sector' and the management of the economy instrumentalised through the 'private sector' controlled by large international consortia.

### *The Crisis of Social Theory*

One analyst, examining in retrospect the historical roots of American public administration commented in 1976: "It is perhaps the leading paradox of our age that all of the approaches to social system built up over the last century—whether one calls them social science, public administration or industrial management—are in a state of crisis."<sup>53</sup> Our examination of this crisis is divided into four parts.

*The Crisis of Methodology:* By the late 60s development administration had suffered the simultaneous impact of two epistemological traits. One was a generalised trend of rejection of the functional-structural, systemic and behavioural fads in social science. These vogues had indeed provided a great deal of the 'gluing' to construct more or less comprehensive conceptualisations like those of Riggs<sup>54</sup>, Easman's<sup>55</sup> and the CAG in general. The second was more ingrained in development administration proper and resulted in what could be called a babel tower syndrome. As Caiden has vividly portrayed:

With development becoming a more magical word every moment and with more resources available for the study of anything about development, development administration became a catch-all for ideographic

<sup>52</sup>Cf. Jorge Nef, "Myths in the Study of Latin American Politics" paper presented to the bi-annual conference, OCPLACS, University of Western Ontario, March 10, 1978, pp. 10-11.

<sup>53</sup>Barry O. Karl, "Public Administration and American History: A Century of Professionalism," *Public Administrative Review*, Vol. 36, No. 5 (Sept.-Oct. 1976), p. 499.

<sup>54</sup>Cf. Fred Riggs, *Administration in Developing Countries*, Boston, Houghton-Mifflin, 1964.

<sup>55</sup>Milton Easman, "The Politics of Development Administration", in Montgomery and Siffin, (eds.), *Approaches to Development, Politics, Administration and Change*, New York, McGraw-Hill, 1963, pp. 59-112.

applied social scientists and nomothetic theorists. Development administration took off into modernization, nation building, social change, industrialization, cultural anthropology, urbanization, political ecology and anything else that seemed to promise help for policy makers in development countries.<sup>56</sup>

In the extreme concern for contextualism and interdisciplinary analysis, development administration had greatly blurred the conceptual focus of public administration. What had been gained in richness had been lost in simplicity and precision. Furthermore, with an expanding interest in the context, a great deal of the very distinctively prescriptive intent of public administration faded away. It should be remembered here that the very origins of the discipline were tied with instrumental considerations. To affect the environment, not solely to explain it, was a fundamental component in the entire history of the discipline. The 'puristic', 'value-free' stand of most of logical-positivistic paradigms finally separated administrative theory from its professional practice. The above mentioned centrifugal traits were facilitated by two institutional, albeit secondary, conditions. First, despite appearances, neither the CAG nor the Committee on Comparative Politics of the SSRC had a congruent or unified vision of what the field was.<sup>57</sup> A mixture of genuine enthusiasm, naivete, and 'band-waggonry' seems to have played a major part in the 'movements'. If one trait predominated, that was disagreement. Beyond the consensus on the most fundamental epistemological and ideological basis, neither clear agendas nor strategies were ever instrumentalised. A second condition was the fact that, as mentioned earlier, both groups studying 'development administration' represented somewhat different views of the field. Whilst the CAG emphasised development and the attainment of change through administration, the comparative politics group focussed on bureaucracy as an institution contributing to the system's maintenance. Although *per se* this could be considered only as a discrepancy of emphasis, it contributed to the crisis of purpose and identity by accelerating the disintegrating trends mentioned above. By the late 60s, development administration had become a field in 'search of a discipline'.

*The Crisis of Development Theory* : Perhaps the single most important intellectual crisis in development administration was the shattering by the late 60s of the development orthodoxy. Deep controversies in development theory closely followed the developmental failures of the decade. A number of radically different conceptions of development produced mostly by third world scholars came into being. These alternative theories were not merely

<sup>56</sup>Gerald E. Caiden, *The Dynamics of Public Administration: Guidelines to Current Transformations in Theory and Practice*, New York, Holt, Rinehart and Winston, 1971, p. 267.

<sup>57</sup>Fred Riggs, "The Group and the Movement: Notes on Comparative and Development Administration", *Public Administration Review*, Vol. 36, No. 6, pp. 648-650.

reactions to the traditional school or its practical failures. Some had been in existence for a good number of years before they made their entry into western academic circles.<sup>58</sup> Their academic recognition, however, did not mean a new theoretical synthesis. Quite the contrary, development theories polarised into two identifiable ideological camps: one 'traditional' and one 'radical'. The overall effect of the radical critique (beyond whatever intrinsic merit it may have) was to unmask the purported 'value-free' posture of the conventional wisdom. The very concept of development had been severely questioned. Whilst for traditionalists it still meant economic growth, increasing numbers of analysts had begun to define it in terms of human values: quality of life, distribution, satisfaction of basic needs and so on. 'Development for what', 'to what' and 'for whom' were not merely rhetorical questions. They highlighted the real fact that development entails prior normative considerations and value choices. Particularly important here are the distinctions of development as 'having' as opposed to 'being' and the fundamentalist conception of 'development as liberation'.<sup>59</sup>

As for the 'iconography' of development, most of the unidirectional, unilinear and bipolar representations of the process had lost their early scholastic beauty, even amongst their early supporters. 'Stage' visions were increasingly rejected as empty, a historical and deterministic. Similarly evolutionism and diffusionism—with their corollaries of 'modernisation' and the 'trickle down' effect—would be challenged by the radical camp as inadequate explanations of the dynamics of development and underdevelopment.

The vision that development spreads from the 'developed' to the 'under-developed' in a contagious-like manner had been refuted on both logical and empirical grounds.<sup>60</sup> Diffusionist schemes at the level of international and national development—radical critics argued—were oblivious of the fact that the processes of development and underdevelopment were dialectically interrelated.<sup>61</sup> That is, development and underdevelopment are not two poles of a continuum but they are inextricably linked as *one* single historical process. From the dependency perspective, modernisation (*i.e.*, westernisation) need not be looked upon as a vehicle for development, but often, and paradoxically, as a major contributor to underdevelopment.

<sup>58</sup>For instance, the "structuralist school" in ECLA, (The UN Economic Commission for Latin America) with theorists like Prebisch, Furtado, Cardoso or Sunkel had been in existence since the 1950's.

<sup>59</sup>Denis Goulet, *The Cruel Choice. A New Concept in the Theory of Development*, New York, Atheneum, 1973, pp. xii-xxi.

<sup>60</sup>See, Andre Gunder Frank's well-known piece "The Development of Under-development" in CUSO, *Readings in Development*, Vol. 1, Sect. 2, 4th document, also Rodolfo Stavenhagen, "Seven Fallacies about Latin America" in Petras and Zeitlin, (eds.), *Latin America. Reform or Revolution?* Greenwich; Fawcett, 1968, pp. 13-31. Both make coherent refutations of the "diffusionist" thesis of Rostow and Higgins.

<sup>61</sup>Cf. Susan George, *How the Other Half Dies: The Real Reason for World Hunger*, New York, Penguin Publishing Company, 1976, p. 94.

'Modernisation', then, may not lead to economic growth. Even if it does, growth need not lead to economic development. Nor would it necessarily result in social and political development.

Radicals argued that the 'trickle down' effect metaphor proved to be generally incongruous with the experience of third world development. If anything, reverse distribution of income and growing gaps had been the norm. Moreover, a careful look at the western experience would indicate a similar trend. 'Trickling down', when it happened, has not resulted from a 'natural' tendency in capitalist development but from political inducement.

A final tenet of developmentalism questioned by radicals was the vision of development as stable and orderly change. Radical analysts suggested that incrementalism is a potent ideology but not a description of an historical fact. In this sense incremental or evolutionary change ('development') was a way to retain control by the dominant classes. Indeed it was a more palatable alternative than fundamental or revolutionary change.

Impatience with 'developmentalism' was growing in other quarters as well. Conservative critics of the 'neo-liberal', developmentalist model rejected the distributive and 'socialistic' overtones of 'reform-mongering'. They emphasised growth and stability as the sole objective concerns of 'development theory'.<sup>62</sup> Neo-classical economics had been for quite some time a strong voice in development.<sup>63</sup> Its advocates looked in antipathy towards government planning, mixed economy and interventionism.<sup>64</sup> In their view, the public sector had a very limited direct role to play in development. The function of the state was to create a stable and fiscally sound environment for the private business to engage in the unmolested 'pursuit of growth'. 'Development administration' and induced development schemes, therefore, constitute only artificial distortions to objective market forces. It is largely these neo-classical theories that dominated American developmental thinking during the Nixon and Ford years. They were reflected in domestic and international development policies, and would decisively contribute to the decline of developmentalism and development administration as praxis.

*The Crisis of Political Theory:* The conservative reaction would be articulated in political thinking as well. The 'end-of-ideology' would be followed by the 'end of liberalism'. True, radicals had also directed their fires against pluralist conceptions of the state, but on the whole it would be the thought of conservatives like Huntington and Lowi which will alter the American (and western) paradigm for political analysis. The 70s marked the emergence of a 'new' vision of the state. This vision meant a drastic alteration of

<sup>62</sup>Cf. Huntington, *Political Order in Changing Societies*, New Haven, Yale University Press, 1968, pp. 4-6.

<sup>63</sup>See, for instance, Harry G. Johnson, *Economic Policies Toward the Less Developed Countries*, The Brookings Institution, Washington, D.C., 1973, Ch. III.

<sup>64</sup>Cf. Milton Friedman, *Capitalism and Freedom*, Chicago, The University of Chicago Press, 1962, pp. 7-36.

the underlying normative ideal for political science from 'participation' to 'order'. Liberal democracy would cease to be looked upon as the highest state of political development. 'Institutionalisation' of an authoritarian elitist or corporatist variety would take its place. This shift was congruent with American 'law'n order' stands at home and with Kissinger's 'realism', engaged in bolstering authoritarian regimes abroad. The crisis of western political theory has reflected a profound crisis of the liberal democratic state. Erosion of territorial sovereignty, globalisation of elites and limits to economic growth have reduced the capacity of politics to manage conflict through consensual-incremental solutions. Under these constraints liberal capitalism and liberal democracy have evolved into a contradictory relationship. The symptoms of this crisis have been felt throughout the industrial west and its periphery. They have manifested themselves in a general decline of political community and a weakening of institutions.<sup>65</sup> The 'institutionalist' explanation of the crisis is that participation has exceeded the capacity of the government to allocate resources and control demands. Their prescription is simple: to demobilise and to adjust change to the needs of the system's maintenance. In sum: development administration, no, administrative development, yes.

*The Crisis of Administrative Theory:* Public administration had undergone over the years a number of significant changes in its paradigm without major disruptions. On the whole, concepts such as bureaucracy, rationality, efficiency and effectiveness remained at the hard core of the administrative paradigm. Comparative politics and organisational theory, whilst diverse approaches to the field, found a common ground: that of 'rational cooperative action'.<sup>66</sup>

### *The Assault on Bureaucracy*

It was not until the mid-60s that Crozier's study challenged the 'rationality' of bureaucracy.<sup>67</sup> In fact he argued that the essence of the bureaucratic phenomenon was the inherent inability of a complex, impersonal, hierarchical, and specialised organisation to learn from experience.<sup>68</sup> Instead of rational, goal oriented social action, bureaucracies were characterised by goal displacement and a series of self-reinforcing vicious cycles. Furthermore, a built-in tension between organisation and individual goals, accelerated by strata isolation and parallel power centres rendered such organisations generally incapable of taking action. This vision—one much in line with popular folklore—challenged the very cornerstone of administrative analysis. If rationality was not the focus of public administration, which was, then, its ontological centre? Was it 'formal' organisation? Was it any kind of

<sup>65</sup>Huntington, *op. cit.*, pp. 8-11.

<sup>66</sup>Dwight Waldo, *The Study of Public Administration*, pp. 5-8.

<sup>67</sup>Cf. Michel Crozier, *The Bureaucratic Phenomenon*, Chicago, The University of Chicago Press, 1964, pp. 175-208.

<sup>68</sup>*Ibid.*, pp. 145-174.

purposive behaviour? If so, what made administrative organisation and behaviour distinctively different from other social phenomena? These questions were to remain by and large unanswered.

In retrospect, it appears that the impact of *The bureaucratic phenomenon* was both devastating and creative. On the one hand, more than half a century of administrative 'theory' had lost foot. Pandora's box had been opened. On the other, it also opened new intellectual avenues, some of these still untravelled. Unfortunately, in the age of disillusion, few social scientists would take up the challenge. These few, however, began to explore new concepts such as participation, debureaucratisation, responsiveness and alternatives to the bureaucratic model.<sup>69</sup> Besides Crozier's contribution to the 'assault on bureaucracy' there were also general perceptual factors: a 'new mood'. This 'metaphysical pathos' came about at the time in which severe criticism of bureaucracy was spreading in the west and parts of eastern Europe. The spring of 1968, the Vietnam war, the ecology movement, domestic and international spying, all contributed to an uneasy feeling towards the 'big brother' out there. Growing interest in 'workers' management'<sup>70</sup> the *kibbutz*<sup>71</sup> and some of the Chinese<sup>72</sup> and Tanzanian<sup>73</sup> experiences pointed in the direction of greater self-reliance, less specialisation and limited size in administration. Effective—and perhaps 'efficient'—administration was not needed to be bureaucratic administration. On the other hand, both conservatives and radicals, for different reasons, attacked bureaucracy, and an often mythical 'establishment' out there. For the right it would be big labour, for the left, big business, for all it would be big government. Watergate in its peculiar way would fuel the bonfires of red tape even further.

<sup>69</sup>See, for instance, Peter Savage, "Dismantling the Administrative State: Paradigm Reformulation of Public Administration", *Political Studies*, Vol. 22 (June 1974), pp. 147-157; Dwight Waldo (ed.), *Contemporary Public Administration in a Time of Turbulence*, Scranton: Chandler, 1971; F. Marini (ed.) *Towards a New Public Administration. The Minnowbrook Perspective*, Scranton, Chandler, 1971.

<sup>70</sup>Cf. William N. Dunn, "The Economics of Organizational Ideology: The Problem of Dual Compliance in the Worker-Managed Socialist Firm", in *Journal of Comparative Administration*, February 1974; John S. Rawin, "Social Values and the Managerial Structure: The Case of Yugoslavia and Poland", *Journal of Comparative Administration*, (August 1970); Andrew Zimbalist, "The Dynamic of Worker Participation: An Interpretative Essay on the Chilean and other Experiences", *Administration and Society*, (May 1975).

<sup>71</sup>Cf. Daniel Katz and Nephtali Golomb, "Integration, Effectiveness and Adaptation in Social Systems: A Comparative Analysis of Kubbutzim Communities", *Administration and Society*, (November 1974-February 1975) *passim*.

<sup>72</sup>Lowell Dittmer, "Revolution and Reconstruction in Contemporary Chinese Bureaucracy", *Journal of Comparative Administration*, (February 1974), *passim*.

<sup>73</sup>Cf. Paul Bognani, "Tanzania's Road to Development: Bringing Development to the People", (Interview by Douglas Ensminger) *IDR* 1974, No. 2, pp. 2-9; also Richard Blue and Hames, Weaver, "A Critical Assessment of the Tanzanian Model of Development", *ADC Reprint*, No. 30 (New York, 1977).

### *The Abandonment of Administrative Techniques*

A second major shift in public administration was the final disengagement between theory and instruments. By the mid-60s administrative techniques had fallen in disrepute with students of the field. The seeds of this trend had existed since logical positivism made intellectual inroads in public administration in the late 40s. Comparative politics, sociology and organisational theory were less interested in producing changes than in studying them. The CAG was apparently divided over the issue. At the end the 'analytical' would prevail over the 'professional' current. Techniques were perceived more and more as pertaining to 'business schools'. The trend of cynicism with techniques also responded to other factors. During the 'decade of development', reorganisation for reorganisation's sake, 'rationalisation' of methods on behalf of 'universal' O&M principles and planning for 'technical reasons', had prevailed over developmental objectives.<sup>74</sup> To a large extent the emphasis on form rather than on substance was a logical—though extreme—consequence of the 'end-of-ideology' rhetoric. In many underdeveloped countries—and in some of the others—the substitution of technology for politics was a mechanism to avoid direct confrontation. In the context of neocolonialism, 'administrative reform' is perhaps the main ingredient to circumvent critical issues and frustrate large socio-economic reform. The same is the case with planning. Proceduralism and technicalities take precedence over objectives and planning becomes an aesthetic and rhetorical exercise, quite harmless to the *status quo*. A substantive criticism of administrative reform, planning and administrative development in general was that it did not produce change but rather modernised underdevelopment. Frustration with techniques combined with academicism had finally led to the abandonment of administrative tools. From then on, only 'business administrators' and economists would utilise them to any considerable extent. Very soon development administration found itself with nothing 'tangible' to offer to development planners and administrators either in the third world or in the agencies in 'donor' countries.

The practical 'sterility' combined with the aforementioned identity crisis led to a generalised state of intellectual lethargy. This condition was much aggravated by over-emphasis on the context of public administration rather than on the administrative phenomenon. Public administration would, thus, become a sub-discipline of comparative or national politics not one with a distinct identity and a unique focus.

### CONCLUDING OBSERVATIONS

The decline of the development administration 'model' resulted from the

<sup>74</sup>Gilberto Flores and Winn Crowther, "Public Administrative Problems in Latin America and Solutions from the United States of America", United Nations Economic and Social Council, 1970, UN Doc. N.ST/ECLA/Conf. 38L.15, pp. 16-22.

simultaneous confluence of the aforementioned four contingencies: a crisis of social science paradigms, development theory, political theory and administrative thought. In turn, the failure of development administration strategies was a consequence of the incongruence between the rhetoric of the 'new goals' and the instrumentalities of the machine to achieve them. The tension between development administration emphasising mobilisation and administrative development centred in the capacity for social control was at the core of the above-mentioned failure. Another contributing factor needs to be mentioned here: the failure of foreign aid. In fact, as stated quite early in this essay, western aid cannot be separated from development administration. With a generalised failure of foreign aid in the 60s and 70s and with the formulation of new aid postures, the whole aid concept became questionable. Both radicals and conservatives criticised aid on diametrically opposed grounds. The fact is that the purposes and instruments of aid lost the old 'do-gooder' and often self-serving image of the first development decade and the Pearson Report. This 'crisis' in aid policies would have a latent impact in development administration.

By now, the recipients of foreign aid had been pushed further and further into the background as the new wave of development theorists discovered that their own societies faced identical problems at a different level of complexity. Perhaps by studying the simpler processes of the so-called underdeveloped countries, the so-called developed countries might have learned something to their advantage... The wheel has travelled almost full circle and the result is absolute confusion.<sup>75</sup>

At this point, we pose the final question: What are the prospects for the field in the 80s? Obviously, the crisis suffered by the discipline was not severe enough to make it disappear altogether. Although it lost its impetus in the 70s, it still remains alive somewhere in the conceptual range of modern social sciences. Methodology-wise, there is a new trend in social science away from intellectual parochialism. Problems like hunger, pollution, energy, recession, scarcity and unemployment cannot be understood in isolation, nor can they be solved on a domestic basis. As Fred Riggs put it:

...The substantive issues of public policy and political economy...will be virtually identical with the issues that our colleagues overseas must face. The reason is obvious: most of the important issues of our times have become global—they cannot be solved in a narrowly American framework any more than they can be solved in a Mexican, Italian, Lebanese or Thai framework. Inevitably, a new framework for "compara-

<sup>75</sup>Caiden, *op. cit.*, p. 267.

tive administration" will evolve—not as a "sub-field" but as the master field...<sup>76</sup>

A legacy of the two 'decades of development' was the realisation that 'underdevelopment', stagnation and decay are not only something occurring to 'them', 'down there' but that all societies face similar structural problems. The task of the coming 'development decade' will be to do something about those problems. The challenge of creating and managing new international and domestic orders—economic, social and political—livable for the 'human species will be a monumental and interdependent cooperative task. The 'shrinking world' is not only a metaphor of our times but a tangible reality. Though we conceptually distinguish three (or perhaps four) worlds of development, we all live in only one planet.

□

### **Effectiveness of Authority**

We see, then, that merely to possess authority is not enough to insure obedience. The effectiveness of authority varies with the degree of consensus of the population on the validity and obligation to obey authority. When a high degree of consensus exists, we may say authority is 'legitimate'. Authority becomes illegitimate when people stop believing in the right of those who claim authority to rule... Now legitimacy is essential for effective administration, the more so the more complex the patterns of behaviour subject to administrative control.

—*The Ecology of Public Administration,*  
F.W. RIGGS, 1961.

<sup>76</sup>Fred Riggs, "The Group and the Movement: Notes on Comparative and Development Administration", *Public Administration Review*, Vol. 36, No. 6, p. 652.

# **Political Rights of Public Servants under Democratic States: Outlines of a Framework for Comparative Study**

**G.B. Sharma\***

**P**OLITICAL NEUTRALITY of public servants has been a commonly cherished dogma under liberal democracies for a long time. Jealously guarded by constitutional and statutory provisions against the so-called encroachment, it is often regarded as "one of the essential bulwarks of democracy".<sup>1</sup> According to Rawling the sacrosanct principle of public service neutrality implies that:-

He (public servant) is not to indulge in political or party controversy and must, in short, maintain a reserve in all political matters. This civil servant, in fact, is to dress up as a sort of moral and political eunuch... as an idealized entity without passion or parts.... Sterilized and immunized he can then be expected to withstand the rude shocks of events which shake ordinary mortals to their foundations. Politically the only personal act which presumably will not conflict with his public duty will be placing a cross on a ballot paper at very infrequent intervals.<sup>2</sup>

Often, it seems, efforts have therefore been made under liberal democracies not only for ensuring neutrality of public services "with regard to the interests and opinions which divide the community"<sup>3</sup> but also at regulating it by means of formal-legal prescriptions. Obsessed by this predominantly formal-legal concern of state authorities, academics dealing with the subject of public service neutrality have also tried to explain it mainly in terms

\*The author is extremely grateful to Prof. D.C. Rowat, Department of Political Science, Carleton University for his valuable comments and editorial remarks on the two earlier drafts of the paper. The author, however, accepts the entire responsibility for this paper.

<sup>1</sup>The Earl Attlee, "Civil Servant, Ministers, Parliament and the Public" in W.A. Robson (ed.) *The Civil Service in Britain and France*, London, Hogarth Press, 1956, p. 16.

<sup>2</sup>R.W. Rawling, *The Civil Service and the People*, London, Lawrence and Wishart, 1945, pp. 89-90.

<sup>3</sup>Carl J. Friedrich and Taylor Cole, *Responsible Bureaucracy*, Cambridge, Harvard University Press, 1932, p. 14.

Methuen, 1971, pp. 382-390.

<sup>4</sup>Michael Curtis, *Comparative Government and Politics*, New York, Harper & Row, 1968, p. 232.

of constitutional and legal norms. In our view, it amounts to taking a myopic and simplistic approach towards the examination of a very complex subject. Such efforts hardly help one understand: (1) why different democracies have adopted divergent attitudes and legal practices for regulating neutrality of their public services; and (2) why there is a significant gap among them between what has been legally prescribed and what is actually practised. This is, however, not to deny the necessity for legal codes but rather to suggest that the nature of the administrative system is determined not by problems of personnel management but by the concerns of government, by social relationships, the general culture and ethical values, and very often by history and tradition.<sup>4</sup> Hence a more comprehensive approach must be adopted in order to study and explain both the manner in which different democracies have interpreted and applied the principle of neutrality, and the ways in which public servants have reacted to it.

The principle of public service neutrality is a nebulous concept which has evolved under different democracies in response to varied historical circumstances; the only elements of commonality in its evolution perhaps being: (1) that it initially evolved as a corollary to the emergence of legal-rational bureaucracy in the 19th century Europe and then spread around; and (2) that it was primarily designed to serve the needs of the *laissez faire* states. As the circumstances in response to which the principle was born started changing, especially after World War II, it came under serious attack in almost all countries. In response to the needs of post-war socio-economic reconstruction the principle has been re-evaluated, redefined and reinterpreted in those countries with which we are especially concerned in this paper. It appears as if a significant realisation has dawned in the west that the concept of public servants as 'moral and political eunuchs' or the justification of their neutrality on the basis of the 'policy-administration dichotomy' can no longer be regarded as a sacred administrative gospel.<sup>5</sup> As a result, several and different concepts of public service neutrality have emerged during the recent past in order to meet the changed circumstances. What are these new concepts? What accounts for such a great variety of patterns of political neutrality among various democracies despite their common liberal democratic political systems? These are the basic issues to which we intend to address ourselves in this paper. Before we do this, however, some preliminary remarks regarding the scope of our paper and our framework of analysis seem to be in order.

<sup>4</sup>For instance for a legalistic analysis of political rights of public servants in India and Canada respectively see, Bishwanath Singh, "Political Activities of Public Servants in India", *Indian Journal of Public Administration*, Vol. 11, No. 2, pp. 236-247; and W.D.K. Kernaghan, "Political Activities and Rights of Public Servants", in W.D.K. Kernaghan and A.M. Willms (eds.), *Public Administration in Canada: Selected Readings*, Toronto, Methuen, 1971, pp. 382-390.

<sup>5</sup>Michael Curtis, *Comparative Government and Politics*, New York, Harper and Row, 1968, p. 232.

### THE SCOPE AND FRAMEWORK

In this paper we intend to examine the status of the political rights of the national or federal public servants in seven liberal democracies, namely, Australia, Canada, Germany, France, India, the UK and the USA. For purposes of our present discussion we intend to confine ourselves to the four most controversial and significant aspects of political rights, that is, the right to contest elections, the right to freedom of expression, the right to form associations or join trade unions and the right to strike. In order to avoid approaching the subject from a narrow legalistic perspective, we intend to look at it from a triangular perspective. Under this triangular perspective, we wish to examine the four aforementioned political rights along the three major dimensions of the attitudes, the laws, and the political systems.

The main assumptions and objectives underlying the present exercise are as follows. First, as pointed out above, the political rights of public servants in each one of these seven countries have grown out of peculiar historical circumstances and traditions as reflected in its political system and culture. Thus these can neither be fully regulated nor explained simply in terms of legal enactments; rather these are themselves in turn conditioned by the historical legacy and political culture of a society. Second, how do public servants respond to liberalisation of political rights and freedoms is a question to be explained once again by the political history and culture of a society in which they operate. Hence, given a certain sense of responsibility on the part of public servants, even a somewhat greater extent of political freedoms would not engender a major political upheaval nor would it endanger the future of democracy in a country.

Based upon the assumptions stated above, the major objective underlying this exercise is to suggest the outline of a framework for the comparative study of political rights of public servants. It would however be appropriate here to preface our examination of the subject in question by a brief statement of the main controversy regarding the political rights of public servants under democracies.

### THE BASIC DILEMMA

Of late, there has been a considerable amount of criticism of the restrictions imposed by liberal democratic states upon the political rights of their public servants. Time and again, arguments and counter arguments have been given for and against the idea of granting greater political freedoms to public servants in all of these countries. But the controversy as to how and where to draw the line between the two principles of 'democracy' and 'political neutrality' of public servants has remained unresolved till date. As Gregoire points out: "The difficulty consists in the apparent irreconcilability

of two principles: the democratic principle of full and equal participation of all in political life and the no less important 'defence of democracy which requires that those citizens on whom depends the daily enforcement of laws', should be politically neutralized."<sup>6</sup> Each country under our examination has attempted to approach this dilemma in its own way. The manner in which each one of them has tackled this problem is being examined below.

### THE ATTITUDE DIMENSION

Statement 1 summarises the entire position regarding the attitudes of seven societies towards the dilemma of democracy vs. political neutrality.

As the attitudes towards political rights of public servants held by different countries are bound to get reflected in their public service statutes and constitutional laws to a varying extent, it might be worthwhile to examine the legal provisions in respect of the four categories of political rights.

### LAWS REGULATING POLITICAL ACTIVITIES

As the central focus of our exercise is to develop a framework for the comparative study of political rights of public servants, we shall examine the four aspects of political activities of public servants more as illustrations. No effort therefore shall be directed towards a detailed critical examination of these political rights of public servants in the countries under discussion.

#### *The Right to Contest Elections*

In regard to public servants' right to contest election to representative assemblies, widely divergent practices seem to prevail in the seven countries. In fact, so wide is the extent of divergence among them that they seem to fall under six different categories. France probably has the most liberal electoral laws. These allow French public servants, irrespective of their level in the public service hierarchy, to run for any representative office in the country.<sup>7</sup> Not only this, during their tenure in the representative assembly they continue to be on the public service rolls and enjoy their seniority and pension rights. In the second category are Germany and Australia where also quite a great deal of liberalism prevails in this behalf. The only difference between France, on the one hand, and Germany and Australia, on the other, is that in the latter, public servants have to resign their positions in public service after their election. However, if they lose in the election or else intend to return to public service after the expiry of their term in the legislature

<sup>6</sup>Roger Gregoire. *The French Civil Service*, Brussels, International Institute of Administrative Sciences, 1964, pp. 353-354.

<sup>7</sup>For further details regarding political rights of public servants in France see F. Ridley and J. Blondal, *Public Administration in France*, London, Routledge and Kegan Paul, 1964, pp. 48-51.

### Statement 1

#### Relative Attitudes of Seven Democracies Towards the Principles of Neutrality vs. Democracy

##### 1.1. MAIN REASONS WHY NEUTRALITY VALUED HIGH Canada, India, UK, USA

- (a) Policy formulation is the function of politicians and execution that of administration;
- (b) It is dictated by the sovereign nature of the state's obligations;
- (c) Helps save public servants from political victimisation for their political views;
- (d) Helps promote official secrecy, lack of which might endanger national security; and
- (e) Employment in the public service being a privilege, those who aspire to enjoy its benefits must be prepared to sacrifice some of their privileges as common citizens.

##### 1.2. MAIN REASONS WHY BOTH NEUTRALITY AND DEMOCRACY VALUED HIGH

Australia and Germany

- (a) Public servants are also citizens at the same time;
- (b) Restrictions on political rights of public servants prevents a polity to benefit from the knowledge, experiences, constructive criticisms and advice of one of its most enlightened and well informed sections. Hence, reasonable restrictions upon their political freedoms are all right; and
- (c) Reasonable amount of participation by public servants prevents deep penetration of the paid representatives of interest groups into representative assemblies.

##### 1.3. MAIN REASONS WHY DEMOCRACY VALUED HIGH France

- (a) Public servants are citizens first, and thus all rights of a citizen accrue to them automatically;
- (b) Experience shows that as members of representative assemblies, public servants have made valuable contributions as both constructive critics as well as informed formulators of public policy; and
- (c) Security of tenure in the public service, even during their membership of representative assemblies, helps a section of these highly politicised bodies discharge their obligations as members without fear or favour.

URCE: The above characteristics are in the nature of contrived features and therefore they have been derived and discerned from all the different sources of information on these countries consulted by us. All of these sources have been mentioned in the footnotes.

they enjoy the privilege of reinstatement to a position equivalent to their previous position in the public service.<sup>8</sup> The UK however follows a different method recommended by the Masterman Committee and later modified by the Joint Committee in which the National Whitley Council's delegates also participated. Under this solution, which came into effect in 1953, the entire public service has been divided into three categories:

1. the politically 'free' class comprising of the industrial staff and minor and manipulative grades who enjoy full electoral rights;
2. an 'intermediate' class comprising mainly the executive class, which obtained complete 'political freedom' except for the adoption of a parliamentary candidature; and
3. a 'restricted' group which includes mainly members of the administrative class and continues to be debarred from any political activity, but may be granted permission to engage in local political activity.<sup>9</sup>

Canada, since the passage of the Public Service Employment Act of 1967, has followed a policy towards the electoral rights of public servants which is relatively more liberal than the one followed by the UK. Nowadays any federal public servant in Canada may "apply to the public service commission for a leave of absence without pay, if he wishes to seek a political nomination for offices in the federal, provincial or territorial legislature".<sup>10</sup> However, if elected, he ceases to be a public service employee.

The Hatch Acts of 1939 and 1940 of the US Congress regulate the political activities of the federal, and to a limited extent, those of the provincial and local public servants. Except for the officers and employees of the legislative and judicial branches and policy determining officers appointed by the President of the United States, "no officer or employee in the executive branch of the Federal Government... shall take part in political management or in political campaigns". In 1940, these prohibitions were extended "to the state and local government employees compensated in whole or in part by federal funds".<sup>11</sup>

However, a public servant in the US, irrespective of his level in the official hierarchy, is allowed to run in the local elections so long as his participation in local politics does not affect his efficiency.

In India, however, the public service conduct rules do not allow any public servant, irrespective of his level in bureaucracy to participate in the

<sup>8</sup>F. Ridley and J. Blondal, *op. cit.*, p. 51.

<sup>9</sup>Aryeh Attir, *Adaptation of Public Personnel Administration to Changes in Society*, Brussels, International Institute of Administrative Sciences, 1971, p. 60.

<sup>10</sup>Ibid., p. 60.

<sup>11</sup>C.R. Santos, "The Political Neutrality of the Civil Service Reexamined", *Public Personnel Review*, Vol. 30, No. 1, 1969, p. 10.

national, state or local political activities. After independence, for a certain period of time, public servants in India enjoyed almost the same political rights as the public servants in the US. But since the early 1960s public servants have been prohibited from participating even in the local elections.<sup>12</sup>

#### *Public Servants' Right to Freedom of Expression*

In regard to freedom of expression, public servants in the seven countries might be placed under three broad categories. First, in all the four Commonwealth countries, namely, Australia, Canada, India and the UK, public servants do not enjoy the right to openly criticise public policies. Furthermore, they are also expected to seek the prior permission of the competent authorities for publishing books, articles and speaking to general audiences. Nevertheless, these countries do differ from each other in terms of the real application of these norms; therefore, a country like Australia takes a somewhat more lenient attitude towards the violation<sup>13</sup> of these norms by its public servants than Canada, India or Britain.<sup>14</sup>

The US in this behalf belongs to another category. There, the provisions contained in the Hatch Act of 1939 have created a considerable amount of confusion regarding the public servants' right to express their views on political issues. Whereas

It allowed federal employees to express their views on political subjects, rather than only to express them privately. However, at the same time, it proclaimed that the act was intended to prohibit the same activities that the civil service commission considered illegitimate under the 1907 regulations, which allowed only private expression. The second Hatch Act (1940) extended these regulations to positions in state employment... and allowed public employees to express their opinion on 'candidates' as well as on political subjects.<sup>15</sup>

It has however never been possible to define completely the activities the political neutrality regulations prohibit.<sup>16</sup> Hence the confusion still continues.

Germany and France both belong to the liberal school and therefore allow their public servants the right to criticise governmental policies and their manner of implementation subject to the observance of the principle of

<sup>12</sup>Singh, *op. cit.*, p. 241.

<sup>13</sup>Richard Lucy, *The Pieces of Politics*, Melbourne, The Macmillan Co. of Australia, 1975, p. 423.

<sup>14</sup>For a proper understanding of the somewhat ambivalent and rigid situation in Canada in this behalf. Cf: *op. cit.*, Kernaghan, pp. 289-390.

<sup>15</sup>J.M. Shafritz, et al, *Personnel Management in Government: Politics and Process*, New York, Marcel Dekker, Inc., 1978, p. 174.

<sup>16</sup>*Ibid.*, p. 174.

reserve. A French official, outside his official work, can criticise the government and express views contrary to the general policy of the government. But he cannot express personal criticism directed at the work of the particular service to which he belongs.<sup>17</sup> Similarly in Germany,

Outside the service a public servant can express his personal opinions also on political questions. He can adopt a standpoint which is in opposition to the government. But he must have a certain regard for his position. The law of 1953 § 53, obliges him with regard to political activities to conserve that moderation and discretion which are incumbent upon him in his position as a servant of the community and out of consideration for duties of his profession.<sup>18</sup>

#### *Public Servants' Right to Association*

In regard to the right to join associations, public servants belonging to the seven countries may be placed under three general categories. The first category includes Australia and France. In these two countries public servants enjoy the right to association including the right to association with the trade unions.<sup>19</sup> In France, for instance, public servants not only enjoy the right to association in the mere sense of a trade union right, but the law also lays down that "no mention must be contained in the personal dossier of the civil servant concerned of his political, philosophical or religious opinion".<sup>20</sup> This in effect amounts to a real sense of flexibility in regard to public servants' right to associate with the trade unions and uphold their political ideologies. The second category is comprised of Canada, India, Germany and the UK. In all of these countries certain kinds of restrictions are imposed upon the public servants' right to association. No doubt, the rigidity of these restrictions differs from country to country as perhaps does their nature. For instance, in Germany where the right to association has been guaranteed to every citizen under the constitution of 1953, it has been interpreted by the German judiciary quite rigidly and restrictively; thus making it fairly clear that only certain types of associations are permissible. Hence the present German situation implies that its public servants may join or form only those associations whose objectives are in keeping with the objectives of the existing 'constitutional order' and, not otherwise.<sup>21</sup> In Canada and the UK, public servants are not allowed to associate with the outside unions which believe in communism. In India, the right to associa-

<sup>17</sup>F. Castberg, *Freedom of Speech in the West*, New York, Oceana Publications, 1960, p. 91.

<sup>18</sup>*Ibid.*, pp. 403-404.

<sup>19</sup>Herman Finer, *The Major Governments of Modern Europe*, Evanston, Row, Peterson & Co., 1960, p. 347.

<sup>20</sup>Castberg, *op. cit.*, p. 86.

<sup>21</sup>*Ibid.*, pp. 372-373.

tion has been guaranteed to every citizen under Article 19 of the Indian Constitution. Public servants therefore are free to form associations or join associations already in existence, but the government would consult or negotiate with only those associations which have been recognised by it. Hence, as a matter of policy all associations desirous of being heard by the government, or representing their members in the negotiations, must apply for such recognition.<sup>22</sup>

The US belongs to a somewhat different category in regard to public servants' right to association. Though the right to association by public employees was broadly guaranteed by the US Supreme Court in *Shelton vs. Tucker* case (1960) the actual position in this behalf still remains confusing. The following views of Shafritz *et al.*, seem to very aptly summarise the whole situation regarding the right to association of the public servants in the US. They maintain :

The case left the remaining questions of whether public employees could have membership in subversive organizations with illegal objectives, and unions. Their right to join unions has been upheld. With regard to the first two types of organizations, however, it has been held that there could be no general answer. Rather, each case has to be judged on the basis of whether a public employee actually supports an organization's illegal aims, because, as the Supreme Court expressed it, 'Those who join an organization but do not share its unlawful purposes and do not participate in its unlawful activities surely pose no threat, either as citizens or as employees.' Consequently, it is incumbent upon public employers seeking to dismiss employees for membership in subversive organizations or those with illegal purposes to prove that the employees actually shared in the organization's objectionable aims and activities.<sup>23</sup>

#### *Public Servants' Right to Strike*

This is probably one of the most controversial of all the political rights of public servants under discussion in this paper. As a matter of fact, this is that aspect of the political rights of public servants in respect of which one finds the widest possible gap between what has been formally prescribed for and what is actually practised by the public servants in all of these countries. Whether or not public servants in these countries have been granted the right to strike, they have widely exercised it. Looking to the number of public service strikes in all these countries it would not be wrong to regard the 1970s as a decade of public service strikes.<sup>24</sup>

<sup>22</sup>A.R. Tyagi, *Public Administration: Principles and Practice*, Delhi, Atma Ram & Sons, 1962, p. 291.

<sup>23</sup>Shafritz, *et al.*, *op. cit.*, p. 177.

<sup>24</sup>For strikes by the public servants in the US refer to Shafritz, *et al.*, *op. cit.*, pp. 191-192.

The constitutional/legal position regarding the public servants' right to strike in the various countries is as follows. Australia, Canada, and France belong to a single class. Barring certain categories of public servants (e.g., the top policy management, foreign service and police personnel), those in the remaining categories enjoy the legal right to strike.<sup>25</sup> However, this right accrues to them only in the event of the failure of the process of collective bargaining and arbitration. Needless to add that public servants in all these countries have notoriously asserted their right to strike, especially in the 1970s.

The UK under this aspect of political rights belongs to a separate category—where public servants have not been specifically denied the right to strike under the law.<sup>26</sup> One might wonder whether it was on account of this sort of legal flexibility or permissibility that the UK had to face such a serious strike by the public servants during February-March, 1979.<sup>27</sup>

In Germany, however, the public servants' right to strike does not exist under the law. The relevant statute article 72 states that the officials may not stay away from their work without leave. The penalties for violating the law include *inter alia* loss of one's job.<sup>28</sup> India differs from Germany in this respect only marginally as all non-industrial public servants are denied the right to strike under the law.<sup>29</sup> But perhaps whereas the German law implicitly allows the public servants to stay away from their work on leave even after the commencement of a strike, the Indian law does not. Once the call for a public service strike has been given, any effort by public servants to avoid penal action by resorting to 'mass leave' or devices such as 'work-to rule' is liable to punishment under the law.

In regard to the right to strike, the US is a class by itself. Under the US Labour Relations Act, public servants do not enjoy the right to strike. In a recent court case, the united federation of postal clerks sought the invalidation of portions of several federal statutes that denied employment to those participating in any strike against the US Government or asserting a right to strike.<sup>30</sup> The US district court in the above case held that: "Since there is no constitutional right to strike, it is not 'irrational or arbitrary for the government to condition employment on a promise not to withhold labour

<sup>25</sup>For public servants' right to strike in India, France and Canada refer to supra No. 4 and No. 7.

<sup>26</sup>Finer, *op. cit.*, p. 186.

<sup>27</sup>The most recent strike of public servants in the UK began around February 3, 1979 and continued for nearly a month. The strike brought about the fall of the then Labour Ministry led by Prime Minister Callaghan. During this strike the entire life of the British society was paralysed.

<sup>28</sup>Finer, *op. cit.*, p. 526.

<sup>29</sup>Singh, *op. cit.*, p. 242.

<sup>30</sup>F.A. Nigro and L.G. Nigro, *New Public Administration*, Ithasca, F.E. Peacock Publishers, Inc., 1969, pp. 48-51.

collectively'.<sup>31</sup> Many a trade union leader in the United States feels that the right to collective bargaining granted to a sizable majority of public servants, in view of the total denial of a right to strike to them, is a mere sham. It is felt that management will never take labour negotiations seriously unless the worker has some sanction available to him. In the absence of a right to strike, management may be patronising at best—or at worst—obstructionist.<sup>32</sup> Hence, at present, public servants in the US remain overwhelmingly prohibited to strike under the law.

The foregoing discussion regarding the varying attitudes of different polities towards the political rights of public servants as well as the laws regulating their conduct show that each one of them views the problem of public servants' right to political participation differently. Further, neither their attitudes nor their statutory provisions help us very much in comprehending why such differences exist among them. The varied mosaic of patterns represented by these polities appears to be somewhat perplexing, especially in view of the agreement among all of them on the fundamentals of democracy as a form of government. We believe that for a fuller examination of the reasons for the existence of different patterns among different nations we have to look beyond the attitudinal and legal factors. Perhaps it would seem advisable to look into certain aspects of their political systems or political cultures to answer the questions as to why do different societies view this phenomenon of political participation by the public servants differently.

### THE IMPACT OF POLITICAL SYSTEMS AND CULTURE

While dealing with this aspect of the problem we intend to formulate and show a plausible causal relationship between several aspects of the political systems and cultures and the status of political rights of the public servants in different countries. Needless to add that the hypotheses suggested are merely illustrative and therefore no finality is claimed about the generalisations based upon them.

The first hypothesis relates to the impact of monarchical and republican forms of government: that the public servants would enjoy greater political freedom under a republican form of government than under a monarchy.<sup>33</sup> In more specific terms, we could hypothesise that owing to the legal tradition of the *crown privilege* a country having a monarchical form of government is likely to be able to grant relatively limited amount of political rights to its public servants than a republican one in which the doctrine of the *executive*

<sup>31</sup>F.A. Nigro and L.G. Nigro, *op. cit.*, p. 305.

<sup>32</sup>Shafritz, *et al.*, *op. cit.*, p. 225.

<sup>33</sup>Brian Chapman following Heine's distinction between the European countries whose citizens are temperamentally monarchist v. republican in their attitude towards governmental authority analyses the various systems. Cf: Brian Chapman, *The Profession of Government*, London, Allen and Unwin, 1959, pp. 308-322.

privilege is often a suspect and subject of judicial interpretations. Comparing the seven countries under examination along a dichotomised axis, we found that the hypothesis does not hold. Australia, Canada and the UK, all of which have a monarchical form of government, appear to be much more liberal towards political rights of their public servants than either India or the US, both of which happen to be republics.

We further hypothesised that the form of executive in different countries—parliamentary, presidential or presidentialist—may influence the extent of political freedom granted to the public servants. In more specific terms, we expected that a parliamentary form of executive, with no separation of jurisdiction between the political executive and the legislature, would be more flexible towards the political rights of public servants than the presidential one in which there is a separation of jurisdiction between the two organs of government. A presidentialist form of executive of the French type would fall somewhere in-between the parliamentary and the presidential systems. In testing this hypothesis for all the seven countries, we found that there was a fairly high degree of positive relationship between the parliamentary form of the executive and the greater political freedom for the public servants. Australia, Canada, Germany and the UK—four out of the seven countries—that have a parliamentary form of executive provide for a fairly reasonable amount of political freedom to their public servants. But our expectations in regard to France and India were belied to a considerable extent. India which should have fallen somewhere close to Australia, Canada and the UK appeared to be their polar opposite, whereas, France (which should have fallen somewhere along the middle of the road), appeared to be much more flexible than any one of the other countries. However, the deviation of India from the expected pattern towards the negative direction made us believe that this could perhaps be explained in terms of its colonial administrative heritage. Kogekar's following views regarding the impact of colonialism upon the image of its administrators would perhaps explain the situation in this behalf adequately :

...under the colonial system of government the British had in India the civil servants who were a caste by themselves—with a number of sub-castes according to the grades and classes among them—remaining aloof from the community in the matter of their interests, obligations and loyalties. The lack of identity of interests and purposes between the people and their governors has been a factor in Indian administration too important to be ignored.<sup>34</sup>

<sup>34</sup>S.V. Kogekar, "Problems of Public Administration in Underdeveloped Areas with Special Reference to India", in B.B. Majumdar (ed.), *Problems of Public Administration*, Patna, 1953, p. 23.

implementation of their policies by the bureaucracy these parties would prefer bureaucratic eunuchs rather than politicised activists. Conversely, a multi-party system with different combinations of coalitional groups frequenting in power would lack both an ideological focus as well as a uniform definition of public service discipline. Because of lack of sufficient experience political bosses will vie with each other for the necessary bureaucratic support. In such a situation, bureaucrats would have the temptation to play one leader or political party against the other, thereby trying to acquire greater power and social prestige for themselves. France is a living example of this kind of political situation. (2) Alternatively, we also hypothesised that the nature of political ideologies pursued by the political parties in a country might have a significant impact upon the extent of political freedom enjoyed by its public servants. Specifically, we hypothesised that the existence of the left-based egalitarian parties in a country is bound to exercise considerable influence in determining the scope of political freedom granted to its public servants. There are several reasons for this. Democracy being the politics of power, different political parties in a country try to build their mass bases and mass support. Through the propagation of their ideologies and programmes they try to influence public opinion and win mass support so as to be able to grab political power. Under such a situation every political party is afraid of the other party trying to make inroads into its following. Such a sense of fear gets especially heightened in the presence of left-based parties whose capacity to attract the non-committed voters is enormous, primarily on account of their mass based manifestoes and programmes. Since these parties are known for taking up the causes of the underdog and the neglected in the society, the fear of penetration of these left-based parties into public service by winning the sympathies of the multitude of lower level public servants might often lead to the appeasement of public servants even at the hands of the political champions of public service neutrality. We intend to examine these somewhat complicated conjunctures below.<sup>36</sup>

An analysis of facts regarding the two-party-multiparty-nature of a polity and the extent of political freedom enjoyed by its public servants showed that there was a considerable amount of covariation between the two. Both France and Germany which have multi-party/coalitional polities grant a fairly high degree of political freedom to their public servants. The US which is a pure two-party system does not allow sufficient political freedom to its public servants. However, the situation obtaining in the UK cannot be accounted for by this hypothesis. Likewise, the situation obtaining in

<sup>36</sup>This is what supposedly seems to have happened when Ontario, a stronghold of the Conservative Party, allowed greater political freedom to its public servants under the Public Service Act, 1961-62. Such a belated decision on the part of the Conservative Government of Ontario had become inevitable in view of the liberalisation of political rights of public servants' brought about by the CCF Government in Saskatchewan in 1945.

Canada and Australia, both of which could be regarded as two and a half party systems, also cannot be explained in terms of the relationship between the party systems and political freedoms of public servants.<sup>37</sup> Nevertheless, the situation obtaining in these three countries may perhaps be better explained by an examination of the second hypothesis outlined above.

A comparison of the political activities allowed to the public servants, and the nature of party ideologies, shows that Australia, Canada, Germany, France and the UK, which have left-based parties active within their respective political systems, allow a much larger political freedom to their public servants. In fact, at least in the UK and Australia their Labour Parties were directly responsible for liberalising the political restrictions imposed upon their public servants prior to World War II.<sup>38</sup> In Canada the NDP, then known as the CCF Party, has perhaps been in a way indirectly responsible for the extension of political rights of public servants. Contrarily, the US, where there is a ban on organising such parties, grants very limited political rights to its public servants. India probably is an exception in this case. But the Indian situation may be partly explained in terms of the historical factors stated above and partly in terms of the ineffectiveness of Indian left-based parties and their personal feuds.<sup>39</sup> But we must reiterate that the relationship between the two variables in the hypothesis stands to a considerable extent.

We further thought that it seems quite logical to argue that the amount of political rights and freedoms granted by a country to its public servants might also be influenced by the nature of the legal system designed to regulate their conduct. In more concrete terms, we hypothesised that a polity with a system of administrative law whereunder officials could be held personally liable for their official acts of omission and commission would be more inclined to relax their political freedoms than the one having a common law system where the personal liability of the officials for their official acts is very minimal. We may therefore suggest that the tradition of a relatively

<sup>37</sup>Jean Blondel in his book *Comparative Politics* refers to Canada and Germany as two-and-a-half party systems. By the same token, Australia may also be regarded as a two-and-a-half party system.

<sup>38</sup>It was in 1945 that the Public Service Act was passed in Australia at the initiative of the Labour Government under which their political rights were liberalised. Likewise it was the post-war Labour Government which appointed the Masterman Committee whose report formed the main basis for the liberalisation of political rights of the British public servants in 1953.

<sup>39</sup>India has a number of left based parties—approximately half-a-dozen—which have always been fighting among themselves. They have never been able to get rid of their narrow dogmatic quarrels. Some of them prefer to prefix the term Communist before their name whereas others socialist. (In real terms all of them seem to be nothing but opportunist. Their opportunism *pur excellence* is undoubtedly established by virtue of the CPI's association with Indira Gandhi's emergency rule and the Socialist Party's participation in the Janata coalition which among others included the rightists like the erstwhile Swatantra Party members—the party of the former princes and big businessmen.)

higher degree of political freedom granted to public servants in both France and Germany has *inter alia* been made possible on account of their systems of administrative law. Conversely, the comparatively lower amount of political freedom granted to the Australian, Canadian, British, Indian and American public servants may *inter alia* be attributed to their common law systems. Nevertheless, it must be admitted that the basic problem with this hypothesis is that it does not help us explain the differences existing between the political freedoms of the French and German public servants on the one hand and among the Australian, British, Canadian, Indian and the American public servants on the other.

Last, we hypothesised that the scope of political participation by public servants in a country may also be conditioned by the extent of administrative secrecy obtaining in it. Since the restrictions on political freedom of public servants are also justified on the ground of the necessity for preserving administrative secrecy, it seems logical to argue that greater the administrative secrecy in a country, greater would be the restrictions upon the public servants' political rights. Upon an examination of this hypothesis we discovered that there was hardly any causal link between the two variables in question. France, Germany, Canada and the UK are all fairly closed or secretive systems of administration, but they still grant a fairly high degree of political freedom to their public servants. Contrarily, the US has of late been a fairly open system of administration; yet its attitude in regard to political rights of public servants still continues to be very stiff.<sup>40</sup> India, however, continues to be a closed system of administration both ways—there is a lot of accent on administrative secrecy and, at the same time, an extreme kind of conservatism in regard to the political rights of public servants.

Having indulged in a rather long spell of speculation, we must emphasise the fact that neither the three principal dimensions, that is, attitudes, laws and political systems, nor the four political activities evaluated upon them are equi-weighted; thus they may not be amenable to a sophisticated statistical computation. Yet, on the basis of a crude statistical computation, each one of the seven countries could be cumulatively ranked-ordered along a democracy-neutrality axis as follows; France: most liberal—1; Germany: very liberal—2; Australia: very liberal—2; Canada: fairly liberal—3; the UK: liberal—4; the US—very rigid—5; and, India: extremely rigid—6. Fig. 1

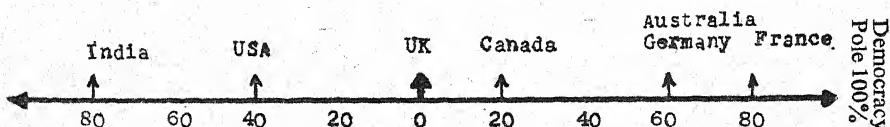


Fig. 1. Position of Different Countries on Neutrality-Democracy Dichotomised Axis

<sup>40</sup>For a discussion regarding administrative secrecy in developed countries see : D.C. Rowat (ed.) *Administrative Secrecy in Developed Countries*, New York, Columbia University Press, 1979.

depicts the overall position of these countries along the dichotomised democracy-neutrality scale.

### CONCLUSION

The preceding discussion regarding the political rights of public servants under seven liberal democracies shows what a great amount of diversity exists among these countries in regard to the concept of public service neutrality. Some of these countries seem to differ from the others all across the board, whereas others do so only to a limited and/or varying extent. Some resemble certain others in regard to certain attitudes, or laws, or in terms of certain dimensions of their political systems; yet their actual practices and behaviours are found to be widely divergent from each other. Four out of the seven countries have a common historical heritage—the legacy of the British colonial empire; still, they differ very much from each other. One wonders why. The answer is, perhaps, because all these systems have evolved out of divergent historical, social, economic, demographic, ethnic, cultural and ecological circumstances; and in part also because they have had to cater to different socio-economic and political needs. Thus, to the extent there is a similarity between two or more systems in terms of their circumstances of evolution or the popular expectations from them, the systems appear to be similar and *vice versa*. Added to these factors, it must be emphasised that in response to their changing environs, all these systems are also undergoing changes—some of them are changing faster, others a bit slowly or changing in the reverse direction. Thus, ironically, one finds India to be the epitome of the traditional concept of political neutrality, more so than the UK, the soil of the origin of this doctrine.

However, since our purpose of writing this paper has been to suggest a framework for the comparative study of the political rights of public servants (rather than critically examine the status of political rights of public servants in these countries), we would prefer to desist from passing any value judgment as to what is right and what is wrong. Nevertheless, the foregoing analysis of political rights of public servants in the seven countries does clearly bring out the fact that liberalisation of political rights of public servants is not something inherently bad. Experience of countries like France, Germany and Australia shows that the extension of political rights of public servants neither poses a threat to the democratic order nor does it in anyway envelope the seeds of a political disaster. It must, however, be confessed that beyond this point all the remaining generalisations, indulged into by us, are mere conjectures whose validity remains doubtful until further indepth empirical examination of them is undertaken. But we do hope that they indicate the directions towards which research efforts should be directed in order to examine the question of political neutrality of public servants for building a sound theory of public service neutrality.

In the end, we must highlight the fact that in almost all the countries surveyed in the paper, barring, of course, India, there is a definite trend towards greater liberalisation of the political freedoms of public servants. We hope that this positive trend towards liberalisation would continue further in the ensuing decades. With greater focus on comparative studies of different administrative systems like this one, misgivings about the possible consequences of liberalisation of the political freedoms of public servants would be removed. Through a greater exchange of ideas and administrative practices among democratic countries they would be able to learn much more from each other.

□

### Civil Servant and Parliament

I expect that in his heart of hearts the civil servant thinks of parliament as a necessary nuisance. He is liable to be called off from what he regards as more important work to search out the answer to some question which seems to him of little importance. The plan embodied in a Bill to which he has given so much work is likely to be altered in committee, probably, in his view, for the worse, while he is likely to waste a lot of time in the precincts of the House waiting for business which, after all, does not come on at the expected time. He may prepare an admirable note for his minister on an amendment which is not called. Worse still, his minister may have failed to understand it and may suffer humiliation at the hands of the opposition while he sits impotently by. It may be, too, that, despite all his care in arming himself with every possible point of information, someone asks for some particular figures which he has not got, to the disgust of the agitated parliamentary private secretary whom his minister has despatched to seek light from 'under the gallery'. Sometimes, he has a sweet revenge when the persistent interlocutor of today is the minister of yesterday and he is able to tell his minister that action now so roundly condemned was in fact the work of that very man.

—C.R. ATTLEE, 'Civil Servants, Ministers, Parliament and the Public' reproduced from the *Political Quarterly, London, in IJPA*, Vol. I, No. 2, April-June, 1955.

## **DPAP: Concept and Approach The Rajasthan Experience**

**Satish Kumar**

PRIOR TO the 1970-71 famine, droughts and scarcity were being tackled more or less on an ad hoc basis, the response being to fight natural calamity as best as the occasion demanded. It was only in 1970-71 that the Government of India sponsored a rural works programme for organising labour intensive and production oriented work in the drought prone districts of the country to mitigate the severity of scarcity conditions. The programme was conceived as an addition to the normal developmental effort in these districts under the State plan and non-plan and other Central and Centrally sponsored schemes. The following order of priorities was prescribed for the rural works programme, subject, however, to considerations of local conditions :

- (i) Major, medium and minor irrigation projects, including field utilisation, land levelling and other infrastructure facilities necessary to develop the command area, as well as roads and marketing complexes, where necessary.
- (ii) Soil conservation and afforestation work.
- (iii) Village and district roads necessary to open up the area and increase agricultural production.

In 1972 the scope of the programme was enlarged to that of an integrated area development scheme for a permanent solution, to the extent possible, of the problems of drought in these districts. Accordingly, the emphasis shifted from labour-oriented to problem-oriented schemes. This area development programme was designated the 'drought prone areas programme', commonly known as DPAP and was classified as a plan scheme from 1972-73. Besides the schemes already taken up under the rural works programme, various other schemes, *viz.*, rural water supply, cluster tubewells, dairy development, rural electrification, etc., were also included in the programme from time to time.

The programme was included in the Centrally sponsored sector, the costs being shared equally by the Centre and the States. For Rajasthan, however,

the funding pattern was altered to two-third by the Central Government and one-third by the State Government in view of severity of the problem of drought in the selected districts. This special dispensation for Rajasthan was withdrawn from 1977-78 and the pattern of assistance was brought in line with the rest of the country at 50-50.

Another development took place in 1977-78 whose impact on the DPAP cannot be ignored. The Government of India launched another programme designated desert development programme (DDP) in that year for an 'integrated development of the desert areas for increasing productivity, income level and employment opportunities for the inhabitants through optimal utilisation of physical, human, livestock and other biological resources.' The programme would also aim at 'protection of and prevention from further deterioration of desert areas and of the spread of desert conditions.' The schemes covered under the programme included pasture development, cattle development, dairy development, sheep development, camel development and forestry. For infrastructural development, only rural electrification was permitted on a limited scale. Later, some elements of individual beneficiary schemes were also permitted. The programme was extended to 19 districts (126 blocks) in 5 States of the country, viz., Rajasthan, Haryana, Jammu & Kashmir, Himachal Pradesh and Gujarat. Of these, 11 districts (85 blocks) fell in Rajasthan which understandably became the major beneficiary of this programme. This, compared with the coverage of DPAP, extended to 73 districts (401 blocks) in the country (including 18 part districts) spread over 13 States. Rajasthan again figured prominently in the DPAP contributing 79 blocks and 13 districts in the above total. These two programmes have since been running parallel to each other in a number of districts. For instance, in Rajasthan DPAP and DDP are in operation simultaneously in 9 districts.

#### APPROACH AND THE PRESENT STRATEGY

In order to understand the approach of DPAP and the basic strategy adopted to translate this approach into action it is necessary to know the components of the programme. These are :

- (i) Development and management of water resources;
- (ii) Soil and moisture conservation measures;
- (iii) Afforestation, with special emphasis on social forestry and farm forestry;
- (iv) Development of pasture lands and range management in conjunction with development of sheep husbandry;
- (v) Livestock development and dairy development;
- (vi) Restructuring of cropping pattern and changes in agronomic practices; and

- (vii) Development of subsidiary occupations—individual beneficiary schemes (included in 1977-78);
- (viii) Development of infrastructure :
  - (a) Drinking water supply schemes (included in 1977-78),
  - (b) Rural electrification,
  - (c) Rural roads/milk routes (included in 1977-78).

The strategy of DPAP is to maximise the production in good rainfall years and to minimise the losses when the rainfall fails or is inadequate. This is sought to be achieved by a number of schemes like soil and moisture conservation measures on a scientific basis so that the optimum utilisation of all available water in the area is achieved. The unit adopted for such scientific planning is the watershed. Introduction of short duration and drought resistant varieties of crops is promoted to cut down losses on account of inadequate rainfall or long, dry spells during the rainy season. In this connection, experiments have been conducted to develop a package of practices suitable under different sets of conditions like delayed rainfall, long dry spells, inadequate rainfall, etc., so that some crops to meet the requirements of the local population may be raised. Since the development of agriculture has obvious limitations in these areas, farmers are encouraged to take up subsidiary occupations like animal husbandry, poultry, sheeprearing, sericulture and horticulture. Development of a comprehensive package of facilities including processing and marketing has been attempted for such subsidiary activities to enable farmers to derive remunerative prices for their produce. Infrastructure for dairying and sheep breeding has been developed to support cattle rearing and sheep rearing avocations. To improve ecology, as also to meet the requirements of the local population, both cattle and human, forestry has been taken up relatively extensively. Earlier emphasis was on the development of forest rangelands and restoration of neglected forests. But lately the shift has been to social forestry for meeting the needs of the community for fuelwood, timber, and fodder for cattle. Some infrastructure development has been permitted but in a rather halting manner. Rural electrification, with a view to assisting the exploitation of ground water, has been promoted on a limited basis. Electric infrastructure, supportive to such rural electrification, has also been allowed in specific cases. Rural drinking water supply was included as an item under the programme from 1977-78 and thereafter it was again excluded under a reportedly Central decision. Opening up of the area is generally not favoured but a limited number of milk routes, supportive to the dairying programme, has been permitted.

Lately, there has been considerable stress on the development of subsidiary occupations for individuals for increasing the incomes of the families below the poverty line (particularly small farmers, marginal farmers and

agricultural labourers) but an important segment of the rural community—no less poor than the rest—was left out. This consisted of the rural artisan, non-agricultural labourer, rural professional, etc.

#### **ANALYSIS AND FUTURE COURSE**

It would be seen that the drought prone areas are broadly divisible into two categories. First, those where desert conditions prevail and, secondly, those where the topography is normal but erratic and inadequate rainfall or frequent failure of rainfall leads to drought conditions. First we have to see whether exactly the same prescription would be possible for both these areas or whether these categories may be dealt with separately under the DPAP.

The causes of desert spread are by now well known and need not be repeated. These areas have limited capacity to support human and cattle population. Since agriculture is not a dependable avocation, increasing human population has led to an increase in the livestock population to support it. This creates increasing pressure on the vegetal resources of the area leading to their rapid depletion which, in turn, leads to cattle deaths and migration in times of severe droughts. The loss of vegetal cover then leads to extenuation of the desert conditions. In the past, this cycle has kept on repeating. The question to be answered is whether an integrated approach enunciated for DPAP has adequately answered the requirements of drought proofing of this area. One fact worthy of notice is that this area is generally poor in basic infrastructure which can help break such a cycle, bringing resources within the reach of the inhabitants besides supporting economic activities at levels not possible earlier in a sort of insulated self-contained economy of these areas. Many examples can be cited. Unless there are roads to carry milk, increasing the cattle population and milk production would only lead to depression in prices as a result of the inadequacy of transportation arrangements. Further, supporting cattle would require more expenditure due to the scarcity of fodder resources and this would be against the decreasing unit value realised from milk. Consequently cattle rearing would hardly remain an attractive proposition as a means of supplementing incomes. Similarly, wool and sheep would not fetch adequate prices unless marketing and transport facilities exist. In the absence of electrification in these areas, chilling centres would not be possible nor would ground water be harnessed in aid of agriculture or animal husbandry. The key to stabilising and developing this area, therefore, lies in development of the basic infrastructure, supportive of the various economic activities, like roads, electrification, drinking water, marketing and processing facilities. It is here that the approach of DPAP has left much to be desired. Till 1977-78 no scheme of infrastructure except rural electrification was included in the programme despite persistent requests from many States. It was only in 1977-78 that the drinking

water supply schemes and rural roads were included in the programme. Unfortunately, the drinking water supply schemes were again excluded from the programme under a reportedly Central decision. Rural roads of economic value were sanctioned in 1977-78 but, lately, several conditions have been imposed, thereby discouraging this highly desirable instrument for opening up the area. As in the DDP, a ceiling of 30 per cent of the total annual plan has been prescribed for infrastructural schemes in DPAP as well. Somehow one gets the impression that there is a tremendous disinclination on the part of the Central Government towards taking up infrastructural schemes under DPAP. The stock argument handed out against the schemes is that the State ought to provide the funds from their normal plan budgets, particularly in view of the fact that substantial increases have taken place in the outlays, say, for drinking water supply. However, a few points are totally missed by the protagonists of this view. First, in an area development programme, for effective implementation of the integrated approach, funding should be from one source and expenditure controlled by one agency. Secondly, the priorities of the State level organisations controlling such outlays meant for the entire State are seldom compatible with the priorities of the area development administration. Thirdly, in terms of political leverage these neglected areas have much too feeble a voice. For example, the State-wide norms for connecting villages with *pucca* roads would cover only villages above the population of 3,000 at present. Similarly for drinking water supply, population norms would exclude most of the villages in these areas and the same would be the case for rural electrification. It has been our experience that unless the funds flow under these area programmes, the deficiencies are seldom made up from sectoral outlays. It is my considered view that infrastructure should be provided for under the DPAP itself. No doubt, infrastructure would be linked to the specific area development programmes and related to the economic activities being promoted or established but constraints like limits, etc., would not promote an overall development of this area. In my judgment in infrastructurally weak areas outlays up to 60 per cent may be permitted for infrastructure schemes. Once basic infrastructure develops, the rest would follow with comparatively little effort.

#### *Water Conservation*

Water conservation and water harvesting are of utmost importance in these areas of scanty rainfall. It should be possible to impound most of the runoff through *bandhas*, check dams, and other minor irrigation works. Although norms for taking up surface minor irrigation works in DPAP areas have been relaxed, still not even 50 per cent of the runoff would be impounded. In view of the tremendous advantage which such stored water has on environment, ecology and recharging the ground water, availability (even for a few months) for drinking purposes, cattle and human,

these norms need to be further relaxed, rather modified. In fact, the concept of cost benefit ratio will have to be enlarged to include indirect benefits from recharging, etc., and for this, indicators for quantification of such indirect benefits may better be developed.

In this context the development of watershed is of utmost importance in these areas. However, experience in the last few years has shown that techniques of survey, watershed planning and designing have not attained even the minimum satisfactory levels in most States. Not only this, the process, particularly of survey, is very slow and time-consuming and modern methods like aerial photography, etc., have not been introduced. Watershed planning and treatment require large deployment of skills and semi-skilled manpower which is not readily available. In Rajasthan, the programme was hamstrung by the lack of qualified and trained junior engineers so much so that even mechanical engineers were given crash courses and put on the job; but the situation improved only marginally. If water conservation is to be done speedily over very large areas, much more effort will have to be put in: (a) for developing proper manpower for undertaking these works, and (b) introducing modern methods of quicker survey, planning and designing. Photo interpretation laboratories should be set up and rolling programmes conceived in the context of substantial treatment in a perspective of ten years. Men, material and resources will have to be devised for this on a scale several times more than deployed at present in case the programme of watershed treatment is to have any impact. So far it has not even reached the scale of a pilot project.

#### *Forestry Programmes*

Forestry has received considerable stress but looking to the problems and requirements even these funds have been found to be insubstantial. Further, in DPAP, the forestry programmes largely followed the beaten track of the old forest departments. The schemes taken up consisted mostly of regeneration of degraded forests, shelter belt plantations, roadside plantation, etc. In the first six or seven years of the programme hardly any effort was made, atleast in Rajasthan, to undertake social forestry. Gujarat did make a breakthrough, but under its normal programmes. However, under the DDP the stress is completely on social forestry, and this is what it should have been under DPAP. In fact, every village should have fuelwood and fodder plantations so that in about 10 to 15 years time it can meet its substantial needs from such plantations. For a village of 500 population (say 100 families), a plot of 4/5 ha. could raise about 3,000 to 4,000 trees averaging 30/40 trees per family.

There is yet another concept which is being talked about in Rajasthan and which can be moulded into a programme for achieving substantial breakthrough in forestry and grasslands extension through the means of private forestry. It is generally conceded that owing to various constraints,

governmental forestry has obvious limits. Further, in the manner forestry has developed in large parts of India under near total government control and management, there exists a sort of relationship of adverse-interests between government forestry managers and the people of the area. It will take decades, and may be a significant part of a century, to reach satisfactory standards in afforestation, if forest departments are left alone to develop it. Why not involve the people in raising forestry and grasslands particularly in the drought prone areas? A study of three non-desert DPAP districts of Rajasthan shows that 17.38 lakh ha. land is categorised as government waste land constituting nearly 50 per cent of the total geographical area of these districts being hills, hill slopes, river beds, embankments, government barani lands, etc. According to a conservative estimate at least 25 per cent of this area can be brought under forestry and pastures. Why not allot on a perpetual leasehold basis this land to people with the condition that they would raise only pastures and trees? A scheme can be devised to provide some investment subsidy, grass, seeds and other inputs and the services of forest extension officers for guidance and help in the initial three years. Further, the conservative approach of raising only timber class trees will have to be given up in favour of species in which people are interested, which are quick maturing and which can support economic activity like *ku babul* (for enriched fodder), *ber* (fodder and commercial), *ratangot*, *karan arloo* (for minor forest produce) etc. Simultaneously, investment assistance (loans and grants) should be made available to these lease holders to raise sheep, cattle, pigs, etc., to make them self-sufficient economic units.

#### *Regeneration of Village Pastures*

The capacity of village pasture has dwindled over the years due to overgrazing and lack of proper upkeep. In a bad year the cattle and men are left with no alternative but to migrate. Regeneration of the village pastures and development of pastures on *barani* government land should be assigned a very important place in the DPAP which, unfortunately, it has not found so far. Investment subsidy should be made available to the village panchayats, who, under the guidance of the forest department, should undertake regeneration of pastures on a rotational basis and then introduce controlled grazing. This, coupled with village fuelwood and fodder plantations and cattle feed, made available in dairy linked villages, will go a long way in stabilising cattle population and may some day put an end to the migration process. For securing a complete solution, private pastures should be encouraged through subsidy and inputs support. In single crop areas, particularly in poorer soils, economics of bringing land under pasture and raising healthier cattle and sheep are far more favourable than raising kharif crops of bajra, jowar, millet, etc. Exercises done two years back in Rajasthan showed that per ha. a farmer raised not more than Rs. 250 to Rs. 300 worth of bajra per year (single crop) whereas returns from animal husbandry supported on this land

(of course, as part of an economic unit) would be at least double. Besides, he would be saved from the vagaries of nature—bad years being two to three in a span of five. Accordingly a scheme has been launched in Rajasthan on a pilot basis providing crop compensation of Rs. 250 per ha. for three years coupled with inputs support to encourage cattle breeders to take to raising pastures on their *khatedari* lands.

### *Developing Village Crafts*

As stated earlier, one of the chief causes of desert spread is the pressure of population on the limited vegetal resources flowing basically from over dependence on animal husbandry. There is, therefore, great need for diversification of the occupations to draw off the pressure from land and cattle. One can think of rural industries and rural artisan professions which can really help draw off considerable pressure from those overburdened sectors. Individual beneficiary programmes in the sector of rural industries, khadi and village industries, rural artisan profession and such like economic activities should be considerably stepped up. In Rajasthan very valuable experience has been acquired under the *antyodaya* programme and lately under the integrated rural development. A number of families have been provided gainful means of livelihood in a village under the non-agricultural and non-animal husbandry sectors. The Trysem (training of rural youth and unemployed for employment) has shown the way how skills can be imparted locally through master craftsmen and impoverished agricultural and non-agricultural labourers engaged on these relatively well paying professions like tailors, potters, ironsmiths, plumbers, carpenters, village cycle repairmen, pump repairmen and house electrical wiremen, etc. When it came to engaging people on a paying profession, several innovations were tried and many succeeded. Village bands, merry-go-rounds and swings, stone quarrying as cooperative ventures, salt-making, etc., attracted a number of rural families who are earning much more than what they could out of land or a few impoverished cattle. A belated attempt was made by starting 'SFDA type facilities programme' under the DPAP from 1977-78 under which, however, the non-agricultural rural families were not covered. Luckily the integrated rural development programme has now covered nearly half the blocks of the DPAP. It is understood that the Central Government intends to extend integrated rural development to all the blocks in the country. This would be a good supplemental effort to the DPAP and even though sectorally the programme would be funded separately, the focus being rural families in a block, it will dovetail beautifully the objectives of the area programme. However, there will be great need of developing the necessary infrastructure of marketing, transportation, etc., which could be taken up under DPAP for supporting these individual beneficiary avocations under the three sectors mentioned above, viz., rural industries, khadi and village industries, rural artisan profession, etc.

In view of the large cattle wealth, development of leather and leather based industries should receive considerably more attention than has been bestowed on it so far. DPAP should be used to set up infrastructure for marketing, tanning, sizing, material bank, etc., for making these materials and facilities available to shoemakers. Leather corporations have been set up in some States and have made a good beginning. DPAP should support them.

### *Sheep Husbandry*

After dairying—a sector which has rightly received considerable stress under DPAP—sheep husbandry is the next in importance for upgrading rural incomes in the drought prone areas. Almost all these areas harbour sheep either good for mutton or wool and some areas have dual purpose sheep as well. Sheep development pre-supposes breed improvement, pasture development to check migration, health cover, shearing facilities, marketing tie up and investment support to breeders. All the gamut of these activities should be covered under the programme appropriately. In Rajasthan a scheme has been introduced on a trial basis for permitting private pastures to support sheep husbandry. This programme holds a very good future for stabilised sheep husbandry. On the other hand, the emphasis given to the hundred ha. plots is totally misplaced and would not serve any purpose. This is only a micro model of the thousands of sq. km. range lands of Australia and New Zealand and the economics just do not work out. Farmers have no stake nor are they benefited much by their 'share' of three to four sheep. The real harm done by this scheme is two fold. First, it led us astray for four years and did not allow development of a good scheme in the sheep-husbandry sector and, secondly, it tied down some of the very good staff, which is so scarce. The sooner it is given up the better.

### ORGANISATION AND PROCEDURE

A few words now on organisation, procedures for sanctioning schemes and funding. From 1978-79 the Planning Commission introduced a new concept in funding the DPAP as also the DDP. Earlier, in the Fifth Plan each district was indicated an outlay of roughly Rs. 4 crores (Rs. 6 crores for the IDA assisted district) with variation permitted, looking to the requirements of the districts which vary greatly in area, population, problems, etc. There was flexibility in outlays and these were generally linked to needs. However, from 1978-79 the Planning Commission introduced the concept of calculating the annual outlay for a district on the basis of Rs. 15 lakhs per block, irrespective of the size of the block, population, the problems it faces, etc. Jaisalmer, for instance, is the largest district in terms of area in the country and almost totally lacks in basic infrastructure. It has only three blocks and therefore entitled to only Rs. 45 lakhs per annum against

about Rs. 1 crore that was being spent in the district earlier. This arrangement introduces rigidity, ignores felt needs and requirements, and has the great disadvantage of pegging development, in terms of availability of funds for investment, to the level of 1978-79. Whereas in all the schemes, annual plan outlays get an incremental increase of about 15 percent to 20 per cent each year compared to the previous year, the outlays under DPAP and DDP would remain stationary. Even taking into account a 7 per cent to 10 per cent inflation per year the availability of funds for these programmes will keep on decreasing and at the end of five years would, in real terms, be less by about 50 per cent. In the same period other schemes at an annual increment of about 15 per cent to 20 per cent will stand ahead of the inflation by about 30 per cent to 50 per cent. This funding pattern is, therefore, a retrograde step and will do incalculable harm to these programmes. Further, even conceptually an area development programme cannot and should not be designed on the basis of a certain fixed sum of money being repeated every year. Further, infrastructure like dairying, roads, electric transmission lines, have their impact over areas larger than the blocks and even sometimes of the districts. This system of funding should be immediately scrapped and replaced by the need based model which continued till the end of the Fifth Plan and which permitted higher outlays in succeeding years. Some ceiling could be indicated on a general basis and reappropriations permitted, based on the needs of particular districts.

For easy and effective administration, there is great need of combining DPAP and DDP in areas where both the programmes are running parallel. What is not bringing forth such a demand from the States is the fact that they do not wish to give up certain programmes permitted under one scheme but denied under the other. For example, milk routes are permitted under DPAP but not under DDP. Secondly, the funding pattern also discourages amalgamation. The States fear that amalgamation may mean reduction in outlays if the rule of thumb of Rs. 15 lakhs is applied. Today a common district gets Rs. 30 lakhs per block—15 lakhs in the name of DPAP and Rs. 15 lakhs for DDP. Their apprehension is that amalgamation may mean reduction of outlays in this fund starved area. Two sets of accounts, separate monitoring and reporting, has made the task of district development agencies (DDA) difficult. If the funding pattern is made need based as argued above and all the desirable schemes including those of infrastructure are permitted, amalgamation would pose no problem and would be welcomed by the States. Once this is done, the programmes in desert areas would combine the objectives of desert development and drought proofing, whereas in normal areas the aim would continue to be to secure drought proofing in a meaningful way. Because of the doubling of objectives in the former areas, investment requirements would be more there. Not only this, substantial investments on infrastructure would also be necessary and must be provided for.

### AGENCY FOR EXECUTION

Lastly, a word about the agency for execution. The DDA was conceived as an autonomous body but in many States like Rajasthan it has been converted into more or less a post office, receiving funds from the State Government and passing these on to the implementing agencies. Its control on the implementing agencies is remote and the only leverage it has over them is through the process of funding. However, this leverage has weakened over the years because the departments know it, as does the DDA, that the funds will be spent only through them and that the DDA has no other choice. Not only this, these agencies have not been allowed by most State Governments like Rajasthan to make purchases, raise funds on their own, or invest their own funds (generated by interest, etc.) on schemes of a local nature. They have not been given powers to sanction such local schemes on their own. My suggestion would be that :

(a) The State should delegate effectively to these bodies both financial and administrative powers. This would be possible if the State finance departments agree to remove a whole set of conditions imposed on grants and funds released to them. They should be enabled to sanction schemes out of the funds generated by them at their own level. They must develop initiative which alone will, in the long run, help.

(b) They should be authorised to exercise more effective control over the implementing agencies. The district development agencies should be free to allot or even to withdraw work from the departments which do not conform to the directions given to them or who do not implement schemes in the manner specified by the DDA. This no doubt presupposes that the DDA would have to have some staff for execution but to make them effective instruments of implementation, this may be inescapable. Should a DDA decide to execute some scheme, it should be enabled to hire staff or take them on deputation. Leaving DDAs totally at the mercy of government departments has not only led to slippages but introduced distortions in the programmes as well.

### SUMMING UP

The credit and the debit side of the balance sheet of the DPAP makes a mixed reading. There are quite a few achievements on the credit side. First, an area approach has started taking shape in the field and the problems are being viewed in their totality. Secondly, a good beginning has been made in conserving soil and water through the soil conservation measures taken on watershed basis. Ground water exploitation has received considerable fillip by specific programmes and extension of electric infrastructure. Ground water surveys have progressed considerably which will help in regulated exploitation. Dairying has given immense benefit to the rural people. In

Rajasthan alone nearly 125 thousand rural families are members of milk cooperatives whose incomes have risen by at least 50 per cent since the introduction of this programme. A number of dairies, milk chilling centres, and processing units have come up which augurs well for the future expansion of this highly desirable activity. The write-up on the debit side, however, is equally impressive. The important programme of sheep husbandry has suffered from conceptual and operational bottlenecks and has not made much progress. Pasture development has proceeded only haltingly. Much more needs to be done in forestry and governmental forestry alone would not be able to achieve it. Till SFDA type facilities were introduced in 1977-78, there was hardly any scheme to draw off pressure from land and cattle based avocations. Crop husbandry continues to be traditional and the package of practices has not yet been evolved for all areas, or wherever evolved it has not been fully tested.

Further, judged in totality, the effort so far is not in proportion to the remedy necessary for curing the ailment. The watershed programme would take not less than 50 years or more to treat most of the areas to be cured. Forestry, despite comparatively higher outlays, is still highly inadequate and the desirable levels of afforestation would not be reached for many decades at this rate. Migration still takes place and cattle deaths in severe droughts are not uncommon. Infrastructure has lagged behind and, in turn, does not permit taking up many programmes like extension of dairy to interior areas.

I would consider the impact of the programme adequate if cattle and human population has not to shift, their basic needs like drinking water and fodder are met in or about their village even in a very bad year. Also if their economic activities, at least to maintain them above subsistence level, are not totally disrupted. For achieving this limited objective the programme will have to have a sharp focus on some activities including those of infrastructure. Moreover, the levels of investments will also have to be substantially raised in case this objective is to be achieved in a reasonable span of time, say, ten years from now. Not only this, the integrated programme will have to be given real meaning by funding all activities of this programme through the DPAP. The focus, content and coverage of the programme will have to be reviewed as indicated above in the paragraphs devoted to individual programmes.

## The Madras Board of Revenue: A Requiem

R. Tirumalai

I HAD a quaint communication from the Government of Tamil Nadu in October last year. It read: "The Government direct that Thiru R. Tirumalai be confirmed as First Member, Board of Revenue with effect from 15-6-1980."

Soon after, the Tamil Nadu legislature, it was reported, passed a Bill abolishing the Board of Revenue. It has since become law, and has come into force from December 1, 1980.

This coincidence set in its trail memories of a number of anecdotes, true and documented, I have come across in the 'transactions' of this hoary institution—on the men and matters connected with it. They extend well over two hundred years of its existence. What more fitting farewell to the Board can there be but to recall them. And who else can more poignantly sing its requiem than its last confirmed 'first member'?

### CONSTITUTION

The Board of Revenue was constituted by the order of the government dated June 20, 1786, with the sanction of the court of directors. It originally consisted of a member of the governor's council and three ordinary members. The governor was its president, and could participate in its deliberations if he chose to. Practically the governor and the members of the council ceased to attend the meetings of the Board, and the functions of the president were exercised by the senior most member. At that time, the powers of the collector had grown and were growing and had to be controlled. Many collectors had invariably been functioning as independent authorities (like the nabobs or the rajas, whom they replaced) what with the slender means of communication and the unsettled times. The Board was given powers up to 1828 to summon the collectors and even to fine them.

The Board became a statutory body, constituted under and regulated by the Madras Regulation I of 1803 which came into force on January 1 of that year, as modified by Madras Act I of 1894. The 'regulation' was made by the governor-in-council of Fort St. George with its application limited to the presidency, prior to assumption of sovereignty by the crown. It was declared by the Local Extent Act of 1874 to be in force in the

presidency of Madras. And what a presidency! It extended from the agency tracts of Ganjam to within eight miles north of Cape Camorin, Coondapoor in South Kanara to Anjengo in Travancore and had comprised parts of five States of our times. The spoken languages were nine within.

### MOTHER OF MANY DEPARTMENTS

In its long and chequered history there was hardly any aspect of public administration which was not entrusted to the Board for some time except the presidency police. It was the court of wards under Regulation V of 1804. It administered salt monopoly under Regulation I of 1805 and from 1816 the general stamps. Between 1817 and 1863 it was in charge of religious and charitable endowments and properties escheating to government, but under Act XX of 1863 the religious endowments and institutions were taken away from its functions though it had ceased to perform these functions even earlier under orders of the court of directors. In 1821 the Sea Customs Act was transferred to it. In 1822 a cutcherry or native establishment was added to it so that "they might have the same sort of aid in the preparation of accounts and advice in all matters connected with taxation and improvement of the country which a collector obtains by means of his cutcherry from constant communication with intelligent native revenue servants". Between 1825 and 1854 it had control and superintendence of irrigation and ferries, canals and roads, and the chief engineer had a seat in it from 1836. But in 1854, the PWD was separately organised. By Regulations IX of 1822, VII of 1828, VI of 1831, it was conferred appellate powers over decisions of collectors. It was in charge of audit establishment from 1861 to 1877 when the accountant general was made a separate authority. Between 1871 and 1885 it was in charge of local funds and in the latter year government got this transferred to itself. The forest office was a part of it till 1875 when the conservator of forests was separated. The opium monopoly and licence entrusted to it in 1878 continued to be with it ever after. This last, I suspect, was not without its side effects on the Board itself!

### COMPOSITION

The Board had normally, like the *trimurtis*, three members—the commissioner for land revenue (first member or as the Regulation terms him the 'president'). The other two were in charge of irrigation and land revenue, and excise and separate revenue (after 1937) and commercial taxes respectively. Exigencies, administrative, personal or functional as in war time, or for special efforts, always resulted in additions to the members. When my turn came, I was posted as the VI member but before I could take my seat I had a windfall promotion as V member and by the time I vacated (mark the words) it within a year I was already the IV member. The Board member

never 'takes charge' nor does he sign the joining report. He only takes his seat and vacates it. The Board secretary submits this historic event to the government to take note, and to the accountant general for more mundane purposes. Prior to 1873 the members had to take an oath and the consequences for violation were provided in sections 2 and 3 repealed in that year.

The junior most member had the privilege statutorily vouchered to him by clause 19 to record his opinion first on questions 'put to vote' and in the deliberations of the Board. The seniors could never have their say first. There was a compensation, though. The junior member would often record a long minute with facts and reasons, either out of his anxiety to impress the first member, or by inclination to do hard work. The senior could record laconically 'I concur' or 'I disagree'. He 'may' record a dissenting minute but it was not obligatory, only it should be done before the Board adjourned. The first member had always the prerogative to sign last and he may choose merely to strike the marking by the secretary as 'M1' and sign—a privilege, alas, I could never exercise. Others with an ego would express it with a flourish after their immediate junior had recorded his agreement, 'so do I'.

#### ITS PROCEDURES

The Board's proceedings or deliberations in the old days were always maintained in huge leather bound thick volumes of handmade paper called 'consultations'. They were truly hidebound and smelt of tan, more so when exposed to the moisture and dampness in the seeping 'Cuddapah flooring' of the old nawab's palace where they were housed. They were to be careful to preserve the records complete but the members shall not have copies of any records' nor 'remove any of the records from the office'. Members wishing to refer to them shall cause such records to be brought into the meeting room of the Board and shall peruse these there. The Board was referred to in those days in the plural 'they'. It could be a term of honorifix or an expression of showing (mildly) the distance, and good humoured banter or derision that the government in the Fort wished to mete out to the Board housed to its north in the present customs house and later across the Cooum in Chepauk. But the plural had a legal significance, to denote the collective character of the Board's deliberations which was formalised by the Act I of 1894. As Mclean puts it, "the advantages of the portfolio and council system were thus combined as in the case of the Governor's Council".

The Board had its dignity and aura of the ancient and was authorised, no, obliged, to use in the transactions of official business "a circular seal two inches in diameter, bearing in the English and Persian languages the inscriptions 'The Seal of the Board of Revenue' and no other seal was to be used. Note the Persian language which was adapted to Hindi or other specified languages only as late as in 1950, after the constitution came into force. The Board was historically the successor-in-authority to the 'sirkeel'

or vazir of the rajas, and the moghuls and, not to be outwitted and to guard against fakes, it had to have a seal which should not suffer in comparison with the 'mohurs' of the moghuls and the nabobs!

The Regulation had been punctilious in detailing the manner of the functioning of the Board. They shall assemble twice a week at least for the 'despatch of business'. Often, it was the government's complaint, and the Board's confession too, that there was 'lack of despatch'. It had to keep two separate sets of their proceedings, one for broken periods to accompany their general report to the government and the second to be kept in office. Their reports were not only elaborate and detailed but they had to prepare and annex a 'copious' index. This was the statutory origin of the annual indices of the Board's proceedings, which the first assistant had to prepare. The first assistant for long was the highest office to which an Indian could aspire in the Board and could reckon Seshiah Sastri and Chentsal Rao among its incumbents.

The Board's proceedings had also to be accompanied with a letter stating summarily the nature of the subject submitted and with distinct opinions and recommendations on each subject for consideration and decision of government—a requirement which earned the taunt of 'the Fort sluggards on the other side of the Cooum' for the secretariat officers. One secretary even commented (with malice) that they could not be the wiser for all such 'spoonfeeding' and 'readymade' solutions.

#### THE FIRST MEMBER

The Board had its president—later termed first member—who had a casting vote if 'votes' were equally divided. He could appoint or change the days of the meeting, or summon extra meetings of the members, or adjourn or postpone them, but they shall meet twice a week. He would, during the intervals, on his own authority, issue occasional or subsidiary orders necessary for executing the 'existing resolutions'. He shall propose resolutions on all papers, read for the consideration, and may state specific questions for the opinion of the members on the business. In emergency, he had the authority to decide questions requiring immediate decisions and to issue orders on references requiring immediate reply. He alone would require copies of any records or the originals to be sent to him for perusal. He would call collectors to account. Such details in the Regulation reveal the anxiety of the times that the Board could not be functioning smoothly all the time and, often, rivalries, personal, professional or temperamental, could mar its proceedings. Frictions there were and in the 19th century one member was even assaulted! The president or the first member was intended to pour oil over troubled waters, being the acknowledged senior among them all, who could call others to order.

## ITS STYLE OF FUNCTIONING

In the 'halcyon' days the consultations were recorded in flowing writing penned by the quill or feather and in dark black ink (treated with myrobalan) and dried by spreading black river sand on ribbed handmade paper. Leaves would refuse to be dogeared but would break if not reverentially handled. The style was often ornate and the sentences long and complex that even Thomas Browne would marvel. Initially the secretary or the member himself in his own hand had commented on the incoming communications, sometimes on the back of the docket. The Board had standing orders on such details as prohibiting the tendentious habit of noting the date and month without the year and insisted on all signatures being fully subscribed in black ink with the year too noted in four digits. Later, the secretary made a note and the member corrected it before the former issued it. One member, Castle Stuart was keen on his own formulation of his ideas and wrote a draft, adding 'secretary, may criticise this draft'. The secretary dutifully forwarded the member's draft adding only his signature. The Board knew of no note file or office copies. They only deliberated and resolved.

When printing and wood pulp paper came into vogue the Board's proceedings were classified as BP press and BP manuscript (ms for short)! Those of 'eternal' value—of all time—were classified as press and 'those of the hour' as the ms. But the Ruskin-like classification did not carry with it the authority to print, and it required the special orders of government.

These elaborate rituals, reflected the 19th century habits of life and the apotheosis of the insignificant. But the functions and duties of the Board had something to do with them. Earlier, the Board of Revenue had exercised judicial authority in determining civil cases on appeal from the decisions of collectors who had exercised both revenue and judicial functions. After the establishment of courts of judicature and zila courts, for cases civil and criminal, the Board's authority had to be correspondingly abrogated. But its powers in respect of the execution of administration of the revenue had to be defined and published. Hence the Board have been declared to have the authority for the general superintendence of the revenue from all sources and making recommendations of such propositions to the government as in their judgment may be calculated to augment and improve these revenues. This carried with it superintendence and control of all persons employed in the executive administration of revenues including collectors, zamindars, rayats, and farmers and others. Being a creation of the statute, their duties and powers were derived from the enactments and were subject to the limitations they imposed, a fact which, latterly, earned the criticism that they were an inflexible and rigid body.

## ITS SETTING

The Board of Revenue and the new building which now houses the Board are incongruities. When I first became *ex officio* secretary (settlement of estates) in the Board, it was still located in the ancient buildings that had formed a part of the palace of the nawab of Carnatic and preserved (appropriately) under the Ancient Monuments Act. The four minaret towers rose above the building. The summer diwan-i-am of the nabobs was turned into the chambers of the members and the secretary. There were pulleys and chains through which rattan—the duffadars always pronounced it as ‘rotten’—trays of files were literally sent ‘up’ by the Board’s office (“cutcherry”) shroffed by the first assistant. The records were unloaded and taken by the daftaries and duffadars—to my recollection—wearing the frilled gowns or frocks with liveries in red, bordered with yellow or golden frills with waist bands to match with a golden tuft pended and a turban with a red and yellow band stuck to it athwart. They closely resembled the dark beavers or butlers (that some of them were) in white robes in the Indo-Anglian paintings of the 19th century. They took the records to the secretary first and then to the members in order, from the junior most to ‘M1’ as marked by him. The more intelligent amongst them, though illiterate, could read at sight what the contents were!

There was, of course, a big and long meeting hall opening out into the cool avenues to the south and overlooking the sea. It had a gallery on the sides where the ladies of the zenana in ‘purdah’ used to sit to watch nautches or ceremonials in the nabobs’ days. Half the room was occupied by the secretary (LR) and the confidential records of all officers were held under his custody. The other half served as a dining and meeting hall with a long table and rows of high backed chairs on either side. If their size was any indication, surely the occupants of old should have been awe-inspiring in their very ‘corporeal majesty and presence’. Nothing in the place, even inadvertently, imparted anything modern except the apologetic intrusion by a lone black telephone receiver shame-facedly hung on the hook and the electric bulbs concealed in victorian ceramic domes suspended by a copper chain. In the fifties, the lunch was no ceremony, at any rate for the collective Board, to meet. The members came to lunch, so to speak, in turns one after another and the lunch time extended from 1.30 p.m. to 3.30 p.m. or even 4 p.m. There were exceptional occasions when it extended to the whole of the afternoon even beyond office hours.

## CHANGING TIMES

On one occasion, a member came in with visible excitement and exclaimed: “A time-honoured system has been abolished. The Board standing order has been cancelled. The full Board should meet and consider this question

in all its aspects." "Which standing order?", asked the senior. "The one which authorises the Board members to indent on the services of the village officers to procure and supply on payment the provisions in the camps while on tour" (The Board member could also claim allowances for taking his cook with him on tour.) The senior replied, "Look, the heavens have not fallen. This was an anachronistic order which had long fallen into disuse. It is as good as cancelled. There was no need to raise a hue and cry over it."

These last observations may aptly fit in with the Board itself. For many aspects of its functions had become obsolete and out of tune with the times. Failure to reconcile themselves to it made some of the incumbents over-react and get characterised as reactionary. If someone had an angularity or choleric temper he would flare up. Besides, they were self-conscious of their own seniority over the secretaries to government, younger in age and closer to the seat of power, having the ears of the governor or the councillors. Finally the substance of authority and decision making was inherent in the government.

The Board of Revenue was increasingly becoming an instrument for implementing government's decisions and laws and orders. The 'sovereign of the sovereign' in its inception, when it could urge legislation and exercise judicial authority over executive actions, had become the 'servant of the servant'. This process became more pronounced with the better means of communication, the quickened pace of administrative activity, and democratisation of government, the legislature and the council of ministers. Level-jumping either consciously or overtly or as an act of deliberate design was inevitable. Power got attracted to its natural seat and an accretion to its source could be involuntary.

#### THE BOARD'S APPROACH *Vs.* THE GOVERNMENT'S

In its earlier days the Board expressed itself in strong language with conviction. They were polemical, conscious of their being the repository of all revenue knowledge and experience. Often they clung or 'adhered' (to quote their favourite expression) to their views notwithstanding points of view to the contrary.

Typical instances of how the Board reacted to issues could now be noticed. Its *forte* was revenue settlement and land tenures. In the composite Madras State, zamindaries and undertenures had abounded in the Circars, Ganjam and Vizagapatam Districts. There were a number of grants called 'mukhasas' made by the zamindars for their relatives, followers or military service. Where the *peishcush* (fixed revenue demand) fixed as permanent settlement for the zamindaris (under the 1802 Regulation) had reckoned explicitly or implicitly with these grants as part of assets, the revolutionary right (on the death of a life-grantee or on failure of heirs or on illegal

alienation) belonged to the zamindars. In other cases it fell to the government.

Taylor, the inam commissioner, had by inferential reasoning opined that in two zamindari estates (which were administered under the court of wards for some time), Jallantra and Kalikote in Ganjam, the reversionary right belonged to the government. This was referred to the Board of Revenue. The Board relying on its own authority of 1804 records differed from Taylor. They went further and stated that on a mistaken impression that government had the reversionary right, the *peishcush* had earlier been added to by Rs. 5000 per annum, to regularise the purchase of the two 'mukhasas' by the zamindar of Kalikote. This the Board felt was unlawful and they recommended the refund of the additional collection.

The collector of Ganjam, G.I. Forbes, was a forceful personality. He supported Taylor relying on the registers of mukhasas which he felt were incomplete and hence presumed the reversion belonged to the government. The Board, undaunted, refused to be vanquished. Its secretary—the member never writes to government—Huddleston wrote :

The incompleteness of the registers, perhaps, tends to weaken the argument as expressed by the Board in their former proceedings, but at the same time the fact that the mukhasas are not entered strengthens the case against the government in as much as to establish their reversionary right to the 'mukhasas' it is essential for them to prove that the 'mukhasas' were permanent alienations by the competent authority and the non-entry of these tenures as inams in the registers prescribed by law in a great measure, if not entirely, destroys the feasibility of such proof. Sd. W. Huddleston.

The government, with a supreme air of confidence, passed an order in 1862 as follows :

These papers relate to the mukhsa villages in the ancient zamindaries in Ganjam. Out of the total of 250, all except 47 have fallen into the hands of the zamindaries already under circumstances which would render it extremely inconvenient to interfere with them.

In strictness, the solution to the question of these 47 villages turns on the point whether the assets on which zamindar's *peishcush* was fixed included the full value or the rental of the villages or only the favourable amount paid by their holders to the zamindaries.

Under all the circumstances elicited by his inquiries the inam commissioner recommends that government should waive their reversionary claim to the mukhasas in all the Ganjam estates except Kalikote and Jallantra.

The Board took the same view but would not except Kalikote and Jallantra and in a demi-official note Taylor states that on a reconsideration he acquiesces in the Board's conclusion.

The government accede to this proposal. They do so as a measure of expediency and liberal policy and not from being satisfied of the zamindar's right ...

After quoting Walter Elliots' view that customarily the reversion had been in favour of zamindars, the government ordered :

Under these circumstances the government resolve to instruct the inam commissioner not to interfere with these villages and to waive their claims to them on the ground as already stated of expediency and grace. They do not admit the right of the zamindars but they will not press their claims hereafter.

On the Board's recommendation to remit retrospectively the additional *peishcush* collected for about two years at Rs. 5000 the government added:

The government have already pointed out that as a matter of right the zamindars have no claim to the villages. They have foregone further claims as a matter of grace and good policy but they are not prepared to reopen the question in regard to the arrangement made with the present zamindar which therefore will not be disturbed.

Apart from illustrating the style of the times this instance brings out the difference in approach to an issue as between the Board and the government. The former was entirely legalistic, dialectical and revelling in their revenue experience and knowledge of detail. The latter was decisive, applying expediency, grace and ground of public policy to the case.

The second anecdote could be of permanent interest. In 1848 the last Tanjore Maratha ruler Raja Shivaji died. The government promptly treated the temple properties and the *chatram* properties as having come under their purview and assumed administration. The Tanjore Rani, Kamatchi Baye Saheba, contested this act and went up to the Privy Council claiming the right of trusteeship and administration of the properties and institutions to herself and her family. The Privy Council distinguished between the religious institutions and properties held for the purpose and the *chatram* and public charitable endowments. Religion being a personal faith, it was held, the Rani Saheba was entitled to the administration and charge of the temples and temple endowments. They added that it would be for the government to decide whether they would relinquish the *chatram* properties they had assumed charge which were for a charitable and public purpose.

The government consulted their agent in the Tanjore court at Vallam, Forbes. He promptly recommended, if inevitable, temple properties might be restored but, "for the sake of the district of Tanjore, the government should retain administration of the large and extensive *chatram* properties and institutions."

Government (in about 1862) accepted this and ordered:

The Governor in Council now resolve, in the light of the decision of the Privy Council, that the temple and temple properties being religious endowments shall be renditioned to the Dowager Rani. But the administration of the charitable and *chatram* properties and institutions shall vest with the government. The Board of Revenue shall, under the Charitable Endowments Regulation of 1817, administer these properties. Should the Rani Saheba be so advised she may prefer her claims in a court of law.

This order was signed by T. Pycroft, Chief Secretary. (The main long bazaar street from Royapettah to the Marina in Triplicane still bears his name.)

On receipt in the Board, Huddleston, the secretary has noted in pencil across the docket sheet :

M1 may kindly see. It is very kind of them to have passed on their trouble to us, and then set up people to sue us.

The quaint humour apart, this case was important. For ever after, the extensive *chatram* properties and institutions were administered by the collector and the Tanjore district board and the railway lines were laid from their proceeds, and several educational institutions are still being run in that district.

#### BOARD'S DELAYS

The Board was known for its delays. One important report was pre-faced by it thus :

The Board regret the delay that has occurred in meeting the requisition of government but it has a reason partly from their desire to bring the subject fully under the consideration of government but chiefly from the extreme difficulty of getting information from the districts.

More often the Board was *aposteriori* in its approach while the government can afford an *apriori* view, conscious of its sovereignty.

The government could also tick off the Board. "The Government cannot

but notice the great delay which has attended the Board's proceedings in this case," although in the order of August 11th (1860) they were expressly desired "to take up the subject without delay and report on it as early as possible". They could also be peremptory; when the Board's secretary's report was incomplete, "They will now be so good as to supply the omissions."

#### DISTRICT EXPERTISE AND PERSONALITIES

Some of these delays were due to the Board's procedure of referring the issues to the collectors for their views and facts. The Board's 'cutcherry' could also gain time that way. Later, such references were restricted to select collectors—to those who were reputed to have a special mastery on the subject or intensive personal knowledge of the tract. In a province of so wide and varied tracts, this was a facility and a need, but it was not an unmixed blessing. Often when such officers took their seats in the Board each tried to score over the other. Conflicts of views surfaced and endless minutes could ensue until government pulled up the Board to mean business. G.T.H. Bracken—his initials, I am told, were declined as 'go to hell', as he was a stern disciplinarian—was an authority on Vizagapatam and big games. J.A. Thorne on Tanjore, Puckle on revenue settlement, Hall on Madurai, Holdsworth on revenue matters. So was D.T. Chadwick who described the soils of Sivakasi 'red as Chepauk'. Masterman had left his personal papers and collections on local self-government which are now housed in the Cambridge University and are made good use of in the Cambridge East Asian Studies publications. Some of them had colourful personalities and were creative, but occasionally were noticed to be off colour.

Puckle had some domestic unhappiness while at Sooramangalam where he was working out the original settlement of Salem; his report was not up to the mark. The Board mildly hinted at this inadequacy. Government regretted to observe that the circumspectness and soundness of proposals that characterised always Puckle's reports were somewhat missing in the report under disposal. They trusted that Puckle "would soon bestow these qualities on his future reports".

Another instance was nearer our times. G.W. Priestly submitted the resettlement report of Tiruchirapalli in 1923-24. His report was in five or six volumes, with enclosures, appendices, and statistical data. Mr. McMichael, the commissioner for settlement, minuted on the report in these terms :

Mr. Priestly has taken a lot of pains and collected a lot of valuable data. But they are badly put. He has treated me to the distinction between *kadarambam* (dry) and *nirarambam* (wet lands) at least ten times in the first 15 pages of the report. His ideas, though numerous, are not clear. He will be doing a great justice to himself and to the subject if he were to abridge his report and confine it to essentials. He will also frame a

draft notification succinctly stating the principles of his proposed resettlement for consideration of the Board. For a notification is to the report what a decree is to the judgment.

The member added :

Assistant secretary (K.E. Chidambara Aiyer) may suitably convey this to the S.O. I notice Mr. Priestly is due to sail on furlough and he may have time to attend to this while sailing home.

Priestly on arrival from Tiruchirapalli was shown the minutes and he dutifully complied with the instructions, took the tomes to do the home work and re-presented it on return, reducing the volumes to three.

The inams were a favourite subject. In 1936 the government decided to resume and enfranchise village artisan inams. The Board secretary passionately pleaded that they be left alone as an essential community service was being performed by the artisans and if one ceased another could be inducted by the community. He lost his case, and the government asserted its reversionary right.

In framing title deeds for the artisan inams, the Board raised an abstruse point—whether in a case where the service ceased, the government could straightaway resume the land or a show cause notice was necessary. The advocate general P.S. Sivaswami Aiyer was referred for advice. He drew a distinction between 'estate upon condition' and 'conditional limitation'. He suggested a clause : 'should the artisan inamdar fail to render the service the inam shall *ipso facto* cease and determine'. The Board felt gratified with this clinching format.

The Board had some times stormy petrels as secretaries. One such was the 'junior' Galleti. He was prone to paroxysms of noting. In the forties, government entrusted the rural indebtedness survey to an eminent economist B.V. Narayanaswami Naidu. He proposed to engage economic research assistants from the university and lecturers as investigators to collect field data. The Board secretary was outraged. He insisted on the revenue staff being utilised. The late development department in the secretariat and the government were inclined to agree with the economist. The Board was overruled. Galleti noted :

M1 might see. We strongly oppose the idea. It is wasteful. We have trained RIs (revenue inspectors) and karnams who could do this job better at lesser cost with an honorarium. The graduate investigators being new to administration will be misled and data collected will be vitiated and inaccurate. The government is not only deaf (as they did not heed the Board) but also blind (as they did not see what was obvious to the Board).

It took all the persuasiveness of the mellow M1 to contain and assuage his irrepressible secretary. Finally he succumbed to M1's directions to send a suave reply drafted by the members.

#### THE BOARD—A DIVINITY TO REVENUE STAFF

The Board was a veritable divinity to the revenue staff and subordinates in the districts. Certainly it was when it used to create the deputy tahsildars and deputy collectors. A leading weaver in Nakkapalli village (Vizagapatam District) had applied for acquiring house sites, signing his request as president of the cooperative society. His intention was to grab a neighbour's land out of illwill. But he cleverly made it appear to be a public purpose for a cooperative society. The Board was cleverer, and could not be outwitted. They queried if the application was preferred by the cooperative society and if so for its members. As assistant collector undergoing training as revenue inspector, I had enquired into it and reported that the applicant, though a president of a service cooperative, did not apply qua president of housing society nor did one exist. As such, it did not attract the provisions of land acquisition permissible for cooperative housing. This statement was repeated by the tahsildar and reproduced by the RDO and the collector.

A few months later, I was under training in the collector's office. One day the *huzur* head clerk came running to my small room overlooking the sea and stood before me with bated breath and whispering humbleness. I asked him what the matter was. "Sir, .... sir" he muttered, after being calmed, "the Board has *in toto* approved what you had written, sir. This was the first occasion in my service that the Board has approved *in toto*, sir. They have written *in toto*, sir." He would have repeated the latin phrase at least a dozen times, like a chant!

The Board's secretary could sometimes unwittingly nod. The Board was asked if the survey of land should be redone adopting the metric system. The member minuted :

The acre and cent system has the essence of the metric system (1 acre: 100 cents). It would cost high to resurvey and revise revenue accounts. There was no commensurate advantage either. If we should however toe the line of others we may go along with it.

The secretary faithfully conveyed to government :

The Board submits that it sees no advantage or merit in adopting metric system, not already found in the acre and cent system. They submit however if we should toe the line of others they would recommend its adoption.

After the PWD was separated in 1854, major irrigation was the exclusive and direct charge of the chief engineer and the PWD secretary. But on matters relating to customary maintenance and repair obligations of the channels, the Board was consulted. In the second decade of this century a raging question was whether the silt clearance in Cauvery channels should be undertaken by government. The view held for long was that government need not. But P.S. Sivaswami Iyer forcefully represented the Tanjore pattadars' request that government should undertake it for better command. Morin, the new chief engineer, ventured to differ from the traditional view of his predecessor, Smart (a legend in Mad as PWD), and recommended silt clearance. The Board endorsed it. Promptly came the rebuff from the governor's councillor (Forbes) with a thud: "Col. Smart has more of Cauvery irrigation in his little finger than is contained in the whole body of Mr. Morin." The Board was spared! That placed the lid on the issue. Even N. Gopala-swami Iyengar (incidentally the first Indian first member) as the first civilian PWD secretary could not modify it. The Board of Revenue never again reverted to this issue till the sixties.

#### LATER DAY ANECDOTES

When I joined the service, my professor (late K.A. Nilakanta Sastri) spoke to his friend S. Ranganathan, the then first member to grant me an interview. He kindly obliged. He had weak eyes. When I went to his room he rose from his seat, moved up his dark glasses, shook hands and offered me a seat and counselled me, "Young man, don't be afraid of committing mistakes. Try to learn as you go along and be inquisitive".

Some members took keen interest in the youngsters and were true to the standing order: "When on tour the commissioner shall call for the diaries of asstt. collector, go through them and comment on the quality of training imparted and afford guidance to the assistant collector." Hejmadi deputed me to inspect the flood affected areas in Anakapalli taluk and generously mentioned my report in his despatches.

A first member visited us, when the assistant collectors were under settlement training, at Sivaganga. I was assistant settlement officer. In the big hall we had all assembled. The visiting member was a tall and arresting personality who had a reputation for being a hard task master. He arrived and took his seat and so did the collector and the settlement officer. I stood by. The SO introduced me to the commissioner. He turned and looked sternly at me and said, "Tirumalai! What sort of reputation you have"? My heart stopped beating. The commissioner continued, "And that so early in your career". There was absolute silence, consternation writ large on every face. The commissioner turned to me again and said, "If ever there was any lone inspection bungalow or a tent pitched in a remote grove or inaccessible village and if a lone petromax light burnt there at night,

sure as anything, the ASO Sivaganga would be camping there". At that moment I was reborn.

The Board could be uncompromising in its standards but it was not lacking in appreciation where it was due. Instances could be cited where the Board members were harder on themselves than on others. On the eve of the States reorganisation, in 1956, the then first member M.V. Subramanyam was deputed to tour the 'transferred territory' of the Kanyakumari District and Shenkottah. He was to propose the lines on which the administration should be reorganised and brought in line with the then Madras administration. Despite his ill-health he toured intensively and did not spare himself. He dictated his report in bed, and 'poured out the last ounce of energy he could muster' into it. Already several heads of departments had submitted their reports. But his was a *touf de force*, a model in form and content and fully orchestrated to the needs of the situation. He divided the work in its appropriate stages, the meshing-in arrangements, the adaptation process and finally the structural changes to be introduced to fit in the new area with the Madras State which to the people of Nanjinad was still known as the 'British'! I was a personal beneficiary as this work fell to me to implement.

There were many varieties of personalities among the Board members. A few, of course, were interested in good food, and *nautch* parties or big game and had other weaknesses. But some had literary and other achievements. William Meyer was a constructive good writer and remembered the Madras University to provide an endowment in his will. Pate was a man of letters and the Tirunelveli Gazetteer he wrote while still being the collector continues to be a classic. Butterworth edited with Venugopal Chetty the Nellore inscriptions and wrote the 'Land of Siva'. George Boag was known to be a kind-hearted and generous person remembered in the Periyar tract in Madurai long after his time for the benevolent assessment he made. Rutherford was a foil to him. The first Indian first member, Gopalaswami Iyengar, was a seasoned administrator and was always looked up to for suggesting reforms in the administrative system and procedure. He wrote a neat hand, his style was crisp, and his concepts and expressions clear and precise.

L.D. Swamikannupillai the secretary of the Board was in his own right a great astronomer and mathematician and brought out the Indian ephemeris in six volumes. They provide a concordance between all Indian calendars and the Muslim and Christian era for well over twelve centuries, day by day. They are indispensable for any student of history and epigraphy.

#### AN EPITAPH

The Board was a creation of history. It was intended to superintend, check and control the collectors and the revenue machinery when the latter were unbridled in their authority and their freedom was uncharted. The Board

was to advise the government which needed their advice. But even very early in its career, one of its first members, Lushington, held it to be a redundancy, glorifying in petty details and nuances of revenue administration, and a fifth wheel in the coach. The question of its abolition and substitution was raised even within a few years after its creation, as early as in 1831 and in 1855 and 1885, and many times thereafter. If a cat had nine lives the Board had many more.

It made history in evolving the administrative procedure and practices and had four volumes of standing orders to incorporate them. It preserved them to such a degree that it earned for itself a reputation for being unbending and conservative. It was Chesterton who said: "The progressive is ever a conservative; the reactionary is always a rebel".

#### Against the Board of Revenue

It is the institution (the Board of Revenue) itself that I mean to impugn, and which, under its present constitution, in my humble opinion, is cumbrous, inefficient and expensive. In multiplicity of records, in retaining copies of copies, in useless and voluminous statements, I can conceive of no institution to exceed the Board of Revenue. Its chief characteristic in its correspondence is delay and prolixity, instead of promptitude and conciseness. The government does not, in many cases, see the exact state of revenue, nor how they are administered, many of the most material parts of collector's reports are omitted, their opinions are garbled and misunderstood and papers of importance are sometimes withheld, or are not acted upon either from the multiplicity of business before the Board, or from the papers not suiting the view taken of the subject by the Board themselves, but in three cases out of four, the proceedings of the Board are a mere dull echo of the collector's original report.

—C. M. LUSHINGTON (1831), quoted in the  
Tamil Nadu Administrative Reforms Commission,  
*Report on the Board of Revenue*,  
Madras, Government of Tamil Nadu, 1972.

## **Leading the Central Task Force**

**P.R. Dubhashi**

OF THE many administrative devices that we have evolved in course of the management of government in a federal polity, one is that of the 'central team' or the 'central task force'. Central teams have been constituted by the Central Government wherever they felt it necessary to assess the situation in the State and take such course of action as would meet the situation. The course of action suggested by the central team would not necessarily fall entirely within the ambit of the Central Government. Supplementary action on the part of the State Government would be necessary. Typical of these central teams are those set up to assess the drought situation in the States. In a country depending on the vagaries of monsoons, many parts of the country are periodically exposed to drought and scarcity. To deal with them it becomes necessary to undertake a large programme of construction of drinking water wells, works programmes to provide employment opportunities to rural people, and relief to agriculturists. The central teams on drought visit the States, assess the situation and recommend assistance out of the central kitty or by way of institutional finance.

### **APPOINTMENT OF THE CENTRAL TASK FORCE ON ASSAM AND ITS TERMS OF REFERENCE**

The central task force of which I had the privilege to be the leader was, however, constituted in different and almost unique circumstances. It was appointed by the Union Minister of Agriculture at the instance of the Prime Minister. The situation in Assam, for some time, was getting difficult, the Election Commission was unable to hold the 1980 general elections to parliament in Assam because of the non-cooperation agitation in the State led by the members of the student community. In the post-election period, the agitation gathered momentum. From time to time, Assam bundh was observed which paralysed the normal functioning of the administration. What was at the back of such continuing State-wise agitation? This was the question that bothered the authorities. It was felt that the factors responsible for the agitation were not only political but also economic. The economy of the State was stagnant for years. Assam could not join the main stream of dynamic development. Employment opportunities, therefore, were limited. This

caused frustration. The remedy, therefore, was to take steps to boost the Assam economy and since 90 per cent of the economy was rural, boosting the State's agricultural economy was considered of paramount importance. The task force, therefore, was appointed to look into the various aspects of the agricultural economy of Assam and make recommendations for giving an immediate boost to the State's agricultural economy. More specifically its terms of reference were:

- (i) to go into the problems of agricultural development in Assam and identify constraints and suggest measures to overcome them;
- (ii) to prepare an action plan for improving the productivity of rice and other major crops during the kharif season;
- (iii) to develop programmes to help farmers living in the chronically flood prone areas of Brahmaputra valley to raise food crops during the flood-free season extending from October to May;
- (iv) to suggest measures for the creation of additional irrigation facilities both from the surface and ground water resources; and
- (v) to formulate programmes for dairying, duck improvement, horticulture, forest and wildlife preservation and inland fisheries.

#### **MISSION OF THE TASK FORCE**

The task force was appointed in March, 1980. It submitted its report running into 360 pages in April, 1980. There would be very few parallels to the speed with which the task force did its work and submitted its report. Since the emphasis was on the immediate course of action, part II of the report brought together action points which were in all 228 in number. The speed with which the report was completed evoked all round appreciation and even the newspapers made a pointed note of this. For me and other members of the team this was a most memorable and worthwhile experience. We all had the satisfaction of doing something which was relevant to tackling of one of the burning national issues. The experience gained in completing successfully the mission entrusted to the task force deserves to be recorded, so that the methodology evolved could provide guidelines to similar task forces which might be appointed in the future.

We may begin our analysis of the working of the task force by noting its composition. It was truly inter-disciplinary. Some members of the team came from various divisions in the Ministry of Agriculture like fertilizer, crop husbandry, animal husbandry, plant protection, irrigation, credit, fisheries, forest and rural reconstruction. There were some members from the research institutions under the Indian Council of Agricultural Research; these included institutions whose work was particularly relevant to Assam, namely, those dealing with rice and fisheries. There was also a representative from the Indian Grain Storage Institute under the department of

food. There was an economist from the Ministry of Transport and a representative of the Planning Commission dealing with problems of hilly areas. There was a representative of the Ministry of Irrigation. There were representatives of the relevant corporations, namely, the Agricultural Refinance Development Corporation and the National Cooperative Development Corporation as well as the local representative of the Reserve Bank of India and the Central Ground Water Board. The fact that almost all the important disciplines specially relevant to the agricultural economy of Assam were represented on the task force and that these representatives were also in the position of authority in the respective organisations was a great source of confidence and strength to the working of the task force. However, this diversity could also be a liability if members, belonging to different disciplines and organisations, functioned in different directions. They had to be galvanised into a team, working together for a common task. This was my special responsibility as the leader of the task force. To me, my appointment as the leader was rather unexpected. I had just joined the ministry and though I had briefly visited Assam earlier I was not particularly familiar with its agricultural economy. However, once the mission was entrusted to me, I plunged headlong into it.

It was necessary that before embarking on their task all the members of the team were properly informed of the terms of reference of the task force and the contemplated plan of action and their individual role so that they could sufficiently prepare themselves for the work ahead. Everybody was anxious that the task force started its work immediately. At the same time merely rushing to Assam without advance preparation would have been futile. Both these objectives, namely, developing a team approach and advance preparation were accomplished through a series of meetings held between the date of its appointment, *i.e.*, March 7, 1980, and its date of departure for Assam on March 19, 1980.

#### ADVANCE PREPARATION

The task force met thrice at Delhi before leaving for Assam. In the first meeting the terms of reference were discussed and it was decided to prepare detailed notes in respect of all the major sectors of the agricultural economy on the basis of available information in all the relevant documents and reports. In the second meeting the task force was addressed by the secretary, department of agriculture and cooperation. He wanted the task force to concentrate on measures which would have an impact on the immediate future and which could be taken up mostly out of the resources and technology already available. At the third meeting were intensively discussed the papers prepared by the members of the task force in respect of the various sectors of the State's economy. On the basis of these discussions, the leader prepared a tentative outline action plan to serve as a frame for the work of

the task force. This interaction and advance preparation laid the foundation of organised team work in the days of hectic activity that followed the arrival of the task force at Gauhati.

For accomplishing this mission the task force had to receive full support from the officers of the Government of Assam as well as the North Eastern Council, an organisation established recently to deal with the problem of the north-east area as a whole. This was accomplished by co-opting as members, officers of the Government of Assam and the North Eastern Council. This co-option was effected in a manner which was essentially functional in character. On March 19, the task force held discussions with the officers of the Assam Government and on March 20, 1980, with the officers of the North Eastern Council. In these preliminary meetings the terms of reference of the task force were clearly explained. An outline paper was also circulated and with reference to this outline action plan, the broad approach of the task force was also explained. There was an immediate and positive response from the officers of the Government of Assam since we had already asked them to prepare and keep their papers and other materials and documents ready. At the end of this preliminary meeting the co-option was so made as to form homogeneous functional groups dealing with important sectors namely :

High Yielding Variety Group  
Fertilizer and Plant Protection Group

Credit Group

Fisheries Group

Irrigation Group

Veterinary and Dairy Development Group

Forestry Plantation and Hill Area Development Group

These groups interacted throughout our nine days' stay in Assam and greatly helped in clear-cut formulation of our recommendations in a speedy manner.

The task force was anxious to cover the entire State in the course of their field visits. However, even though Assam is not the largest among the Indian States, the area was vast to be covered in nine days. The task force was, therefore, divided into two itinerary teams—itinerary one covered the Brahmaputra Valley consisting of the districts of Nowgong, Jorhat, Dibrugarh, Lakhimpur, Darang and Kamrup and the second itinerary covered the districts of Cachar, Karbianglong and Goalpara. The itinerary was carefully planned so as to include discussions with district officers, visits to important institutions, as well as visits to villages and farmers' fields. The programme was hectic and we were constantly on the run but this itinerary was more or less completed on time and proved extremely productive because it was carefully planned. In the meetings with the

officers at the divisional, district and sub-division levels, the outline plan was circulated and, based on that, the district officers produced district plans of action. These district level meetings were helpful in checking the preliminary approach adopted by the task force with reference to field problems and situations and giving a practical shape to its recommendations and in working out definite and concrete targets.

#### REPORT WRITING

The members of the task force returned to Gauhati on March 25 and had a detailed discussion with the officers of the State Government and Advisers to the Governor. The next day was Assam bundh and all offices were closed and air flights cancelled. We could not move but we decided to convert this immobility into intense activity! Most of the members of the task force were in the circuit house on the banks of the Brahmaputra. They were ready with their field notes and impressions fresh in their minds. They swung into organised action. In every room of the circuit house activity was going on of formulating the first draft of the report with the help of whatever stenographic assistance was available. By the end of the day quite a bit of the drafting work was already over.

In order to ensure that the various chapters of the report, dealing with various parts of the agricultural economy, more or less followed a common approach, a format was agreed to in advance, namely, analysis, diagnosis and plan of action—analysis of the existing situation so as to bring out the deficiencies in the Assam agricultural economy as compared with the rest of the country, diagnosis of the reasons of the backwardness of the economy and the identification of the constraints, and a plan of action to get over these constraints.

The task force returned to headquarters on March 27, 1980 and met three days thereafter, to put together the draft material. Since the draft chapters were prepared with reference to the initial outline and the agreed format, it did not take much time for all the material to be brought together in the shape of a draft report. However, the task was not entirely easy. While they were in Assam, all the members of the task force had a single commitment but on the return to headquarters each started to work under his own compulsion. We had to strike when the iron was hot. Any slackness would have an unpredictable delay in the preparation of the report. However, this was avoided but much editing was involved in eliminating the overlaps, re-arranging the material and maintaining the symmetry of presentation. I decided to prepare part II of the report to facilitate follow-up action. It brought together a series of action points in every sector; this also served as a summary of the report.

The physical work of cyclostyling and preparing copies of the report proved difficult. The work could not be decentralised because it was feared

that in different offices, different size of paper and style of typing would be adopted. The report would not be a presentable document. The work, therefore, had to be done under personal supervision in the personal office of the leader of the task force. Much labour and excess time was, therefore, involved before the copies were ready. As soon as they were in hand, the formal function was fixed and the report presented to the minister.

#### FOLLOW-UP ACTION

Top priority was assigned to the follow-up action on the report. The copies of the report were circulated to all the relevant ministries at the centre and to the State Government. The recommendations were examined and accepted. The Adviser to the Planning Commission visited the leader of the task force and enquired about the financial outlays. Since this was anticipated, financial implications under the various programmes had already been worked out, though they were not included as a separate part of the report. These were given and the additional allocation to the extent of more than a crore of rupees was made in the budget of 1980-81. The Seed Corporation of India took quick action to send seed to Assam. Thus the labour of the task force did not go in vain.

It only remains to be seen as to when the green land of Assam would be able to enjoy the fruits of the green revolution.

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#### Integrated Rural Development

'...a whole area should be treated as one unit for administrative purposes and rural and urban areas falling within it should be treated as integral parts of the area for purpose of overall planning and for implementation of development projects. This will promote political and emotional integration and remove the hiatus which exists between the rural and urban dwellers and pave the way for the evolution of an organic community. It is true that the emphasis will vary from locality to locality but the approach will be similar. The existing devices to secure a modicum of integration are basically of a mechanical nature which often tend to accentuate differences by focusing attention of features of contra-distinction.'

*—Report of the Rural-Urban Relationship Committee, Vol. I, New Delhi, Ministry of Health and Family Planning, 1966.*

## **The Tax Administrator : Perception and Profile of a Dynamic Role Performance**

**V.K. Gupta**

THE TAX administrator is a vital link in the collection of revenues for the very survival, existence and development of the state. As described in Kautilya's *Arthashastra*, 'revenues are the foundation of all polity and administration'. In the context of the achievement of the objectives of socio-economic development and within the present politico-legal framework of our country, the multi-dimensional role of the tax administrator assumes significance. Right from the days of Warren Hastings, a tax administrator is considered as a mere tax 'collector' in the sense of a ticket collector of the railways who asks for and collects railway tickets and penalises passengers for non-compliance with his demand for producing the journey tickets. Undoubtedly a tax administrator has now to play a much wider and more important role than this, particularly for achieving the present day socio-economic objectives of growth and for establishing an egalitarian, fair, and just socio-economic order with due emphasis on attainment of an equitable distribution system of income and wealth within the given politico-legal democratic set-up of our country. A tax administrator can, therefore, exert himself effectively if his role against this silhouette is properly perceived, evaluated and allowed to be played for the optimum benefit of the society so that he could successfully act as a change agent in his own sphere. It would also be useful to refer to some of the techniques which may be helpful in his effective role-performance in the new context.

### **OBJECTIVES TO BE ACHIEVED**

The orthodox objective of a tax administrator may be 'maximum collection of tax revenues'. But in the modern democratic set-up of our country, it is not the proper narration of the end to be achieved by him. As a dynamic creature of law and as an effective change agent, a tax administrator must collect the maximum possible tax revenue within the given legal framework with the least aggregate sacrifice or suffering on the tax payer. Only then, the broad objective of maximum net aggregate social welfare could be within the reach of the people and government machinery. The

fullest compliance with tax laws by the target group should be his goal. Maximum compliance cannot be achieved simply by enforcing the tax laws, it must also come out *suo moto* from within the tax payers. Just as in medical science, prevention is better than cure, in law, observance is always better than enforcement. Therefore, all the efforts and activities of the tax administrator must be aimed at securing the maximum observance of tax laws from the target group preferably by evoking the rationality of man rather than by compelling him to do so by fear or force of law.

Payment of all taxes is a painful obligation. There is no *quid pro quo*. It is, therefore, necessary that the social, economic and 'psychic' cost of taxation should be minimised. Besides the monetary burden of taxes, a lot of suffering and cost is imposed on the taxpayers in terms of time, energy, anxiety and litigation involved in the payment of taxes. All such costs should be reduced to the minimum as far as feasible. In this connection, it may be worthwhile to refer to the All-India Income-tax Statistics published by the Directorate of Inspection (Research, Statistics and Publications), Income Tax Department, Government of India for the year 1976-77 according to which the relative cost of tax management on an assessee's part can be worked out as below in case of 'individuals':

<i>Category of Assessees</i>	<i>Cost of Tax Management</i>	<i>Contribution to Exchequer (per cent)</i>
(a) In case of assessees with reported incomes below Rs. 50,000 per annum	98.23	62.75
(b) In case of assessee's with reported incomes above Rs. 50,000 per annum	1.77	37.25

It will be noticed that while there is equal suffering involved in both these categories in terms of monetary, psychic, moral and social costs, the benefit to revenue is disproportionate. For the lower income brackets, the proportion of suffering is more, compared to the yield of revenue than for the higher income brackets of taxpayers. Another glaring instance of disproportionate cost of tax management could be observed in the area of sales tax. In Maharashtra, 98 per cent of sales tax revenue is contributed by 2 per cent taxpayers while 2 per cent sales tax revenue comes from 98 per cent taxpayers. Such cost benefit analysis could be fruitfully undertaken in case of all other taxes and appropriate pragmatic lessons learnt so as to minimise the suffering of the taxpayers. Objectives of maximum law observance and minimum aggregate suffering are closely interwoven and clearly inter-related in the sphere of taxation. It was with this end in view that various schemes of summary assessments and *suo moto* acceptance of tax returns were introduced and are being implemented in certain tax departments like income tax

and sales tax departments. All these and other voluntary disclosure schemes definitely involve certain risks to revenue but these calculated risks were taken primarily to minimise the taxpayers' suffering.

#### ATTITUDE ORIENTATION

Taxation is not an end in itself but a means to an end. Like other instruments of fiscal policy, taxation is a part of a broader strategy to achieve certain well-defined objects which are to be achieved through the collection of taxes. These objects may differ in the case of different measures of taxation. Objects of wealth-tax and estate duty are to reduce the distributional disparities of wealth and sources of income. Gift tax is levied to plug the possible evasion of estate duty. The object of interest tax is not so much to collect revenue as to curb borrowings and to control the volume of credit in the economy. Objects of a tax may shift over time. For example, initially the object of the levy of income-tax in India was to finance the deficit and damage caused by the uprising of 1857 but, later on, it was gradually changed to curb inflationary pressures in the economy, to promote institutional savings and to finance economic growth and socio-economic development of the country.

Within the broader or primary objects, there may be, and usually are, subordinate or secondary objects of taxation. For example, under income tax laws certain concessions and reliefs have been provided for rural development, export promotion, scientific research, new industrial undertakings and donations and contributions to charitable institutions and societies for promotion of these activities. Under excise duties and customs, there are protective and countervailing duties which aim at promoting the trade and industry at home and making the local goods competitive. Impact of direct taxes like income-tax and wealth tax on existing and growing disparities of distribution of economic resources and their corrective effect are also worthy of consideration. Similarly, in case of indirect taxes, their effects are to be realised on the market forces of demand and supply, employment and consumption pattern, rural development, development and welfare of the weaker sections of the society. Redistributional effects of all these taxes must also be considered in the sphere of education, food, medical relief, social security measures and building up of socio-economic infrastructure. Thus, the essential inter-relationship of all taxes with public expenditure for socio-economic development is to be broadly kept in view.

#### *Harmony with Tax Objectives*

Against this background, the tax administrator is to develop and form his professional attitude with a view to achieve the objects and sub-objects of the particular tax he is to administer, remaining fully conscious of the overall impact and the various socio-economic effects of the tax levied by him.

Since taxation is a mechanism to direct and bring about certain desired socio-economic changes, the tax administrator, playing his role as an effective change agent, must maintain absolute harmony with the tax objectives. This is necessary because he is not simply to collect the tax but also to sell the theme of the tax to the taxpayer so as to obtain more and better voluntary observance of tax laws from the target group. Therefore, the guiding instruction to the tax administrator should be whether his performance (within the given legal framework) is directed towards and aimed at achievement of the object of the tax levied by him. It will particularly help him in those circumstances where law, available rules, and other superior executive instructions are not very clear and categorical.

A thorough grasp of the organisational set-up within which a tax administrator is to work and the persons and situations he has to deal with, shall go a long way to maximise his professional efficiency and positive response to his effort. Let us emphasise that the structure and functioning of tax organisations is somewhat different from other administrative organisations inasmuch as the degree and nature of personal involvement of the tax administrator in implementation of tax laws is expected to be much greater than that of his counterparts in other general administrative organisations. The tax administrator is at the receiving end of all first hand information upon which he has to build up the edifice of his decisions, while working in the field formations of his taxation department. Thus, a tax administrator is a 'prime mover' in his organisational set-up. He is the initiator of all visible activities in his tax organisation. All basic functions and powers are, as though, monopolised in him and there is no appreciable scope for delegation of authority by him. Experiment in functional decentralisation could not deliver the goods in direct tax organisation of India and it had to be scrapped. Then, there are some discernible socio-economic factors governing the behaviour pattern and mode of interaction of the tax paying classes. First, on whomsoever may fall the ultimate incidence of any tax direct or indirect, the immediate impact of the tax is usually put on the higher income brackets of the society so as to reduce the monetary cost of collection and to ensure better and effective control. Secondly, this tax paying group is mostly educated, intellectually conscious and otherwise very sensitive. Thirdly, a fairly large proportion of this group would fall in the matured age group. Lastly, this group is somewhat organised in various forms like business organisations, professional and trade associations and chambers of trade and commerce. Thus, it has got a strong 'lobbying potential' to watch, ward and strengthen its interests and to exert its influence in policy-making. These various organisations adopt persuasion and rationality appeal as their media of expression rather than resistance except in extreme cases. Such extreme resistance is also against individuals as opposed to the tax-system or the tax organisation as such and it is also the effect of the aforementioned socio-economic factors. Therefore, structuring and development of the

behavioural pattern and the attitude formation of the tax administrator must be fully attuned to his environmental set-up and duly influenced by a thorough understanding of his subject and the situations arising in relation thereto.

#### MISSION

The tax administrator should have a mission or goal. His ideal should not be just to collect the maximum revenue from taxes or to gear up the disposal of cases. These are only modes of achieving his object of fulfilling his mission. His mission should be collection of just tax which is 'neither a penny less nor a penny more' than what is just. No taxable person should be allowed to get out of the tax net or to loosen it by his ingenuity. On the other hand, nobody without taxable capacity should get victimised, as far as possible, by legal subtleties. Success of the tax administrator's performance should be evaluated with reference to both the quantitative as well as the qualitative aspect of his work in accordance with this mission.

Prof. Wayne Leys of the Roosevelt University has suggested that there should be a system in thinking and order in deliberations. He has pointed out certain values to systematise one's thinking, deliberations and their outcome. A tax administrator can safely and conveniently build up a value framework for his thought, expression and role performance in accordance with these values. Lawfulness, consistency, loyalty, happiness of the society and integrity are the coordinates within and around which the value framework of the tax administrator should be carefully woven so as to ideally suit his role performance to meet the desired ends.

In view of the multi-faceted functions performed and the multi-dimensional duties discharged by the tax administrator in his organisation, it is considered necessary to identify, analyse and discuss his various roles as: (i) a public relations officer, (ii) a judge, (iii) an authority, (iv) a legislator, (v) a tax collector, (vi) an enforcement officer, (vii) a tax educator, (viii) an expert, (ix) a promotor of social causes, (x) a manager-cum-leader, (xi) a coordinator.

#### PUBLIC RELATIONS OFFICER (PRO)

Coming into contact with tax payers, the tax administrator has to act as a public relations officer. In this role, he has to create a goodwill for himself and his organisation and foster a sense of trust and confidence in the tax payer's mind. He should, thus, create a good impact and build up a healthy image of his organisation over the public mind. A patient hearing to the visitor and a fair attempt to solve his problems or remove his grievances would not only benefit the visitor; it will also afford a sense of self-satisfaction to the officer who can then think and do his best, being calm and serene.

By his serene and calm attitude, the officer would be actually storing his energies to use them to find out solutions to the multitude of problems faced by him in his routine functions. A clear understanding and a thorough grasp of human nature and a close study of the actions and reactions of different individuals in different circumstances would go a long way in directing the effective role performance of a tax officer as a PRO. For this, in-depth study of behavioural science and inter-personal human relations will be useful. Of course, tactful handling of difficult and tender situations is a fine art which the PRO would have learnt on his own accord out of his own variety and complexity of experiences.

Importance of good public relations has been recognised of late in all tax organisations. Senior officers in the income-tax department have been designated as PROs. They invite the members of the public to convey and point out their problems, difficulties and grievances and even the cases of inordinate delay in settlement of tax matters and refunds, etc. Members of the public are at liberty to discuss with the PRO their problems and remove their doubts and suspicions. Wide publicity is now being given to the public relations work in direct tax system and also in some other tax organisations. Certainly, before seeking cooperation from the tax payers, the tax administration itself must offer its cooperation to them voluntarily. Then alone can the administration successfully procure their voluntary compliance with tax laws.

#### *Judge*

A tax administrator is also vested with certain powers of a court in his own right. In his function of summoning witnesses, issuing commissions and obtaining statements on oath, etc., he enjoys the same protection as a court does for the purposes of the Indian Penal Code. Even though a tax administrator is not seated on a raised platform wearing a black robe and even though the formal procedure codes and the provisions of the Evidence Act are not strictly applicable to the proceedings before him, yet he is no less than a judge performing a major part of his quasi-judicial function. Legislature and courts have left no scope for doubt that the functions of ascertainment of tax liability, computation of the tax base, and determination of the quantum of tax and other allied functions are quasi-judicial in nature. The tax administrator is required to make well-reasoned, clear and speaking judgements based on relevant material in the particular circumstances of a case.

In his role performance as a judge, the tax administrator has to be judicious in his (i) attitude, (ii) aptitude and (iii) acumen.

*Attitude* : By the attitude of the tax administrator is meant his pre-judgement behaviour. Whether, in fact, justice has been done or not in a particular case will be judged from his judgement; whether justice will be done or not is guessed from his pre-judgement attitude. Therefore, from the attitude

and manner of working of the tax administrator as a judge, it should be amply clear that full justice is and is expected to be done in the case in hand. Whether he gives a patient hearing, whether he allows a fair opportunity of hearing, whether he appears to pay prompt attention to the points raised by the tax payer or his authorised representative at the hearing of a case, the attitude he shows towards accidental delays<sup>1</sup> and unintentional omissions, the system he observed for calling the tax payers in appearance before him and such other procedural matters and small acts may create or mar the expectations of justice. A tax administrator acting as a judge has to create an overall impact on the subject through his judicious attitude.

*Aptitude:* Quickness of apprehension and readiness in learning denote the aptitude of a judge. Judicious aptitude is a must for a tax administrator in handling the plethora of tax matters and in discharging his allied functions. However, it should be remembered that aptitude is the counterpart of attitude. For example, a good judge has to give a patient hearing but not at the cost of reiteration, repetition and vagueness. Thus, it is necessary for a tax judge to maintain a fair sense of proportion and strike a balance between his judicious attitude and aptitude.

*Acumen:* Acumen of a judge indicates the sagacity or soundness of his judgement. The tax administrator, acting as a judge, has to come across a variety of persons and face, at times, really difficult situations. Some of these queer persons and trying circumstances might even try, in their own way, to react, influence or impress upon his judgement. Dealing with such people and working under such critical situations, the judicious acumen of the tax administrator should never be allowed to be got over by irritating persons and adverse circumstances. Unlike other judges, a tax administrator also acts as a prosecutor and as an advocate of the state. Therefore, he has to play the role of a judge in a very cool, balanced and coherent manner. He has to be fair and just to both his department as well as the taxpayer. Principles of natural justice, equity and fairness should be observed by him in the proceedings before him.

It should be emphasised that the traditional system and approach of administration of tax laws, like administration of justice, inherited after independence of the country, has proved inadequate to meet the needs of the changing society in the context of the vast socio-economic developments in the country. It has developed serious cracks and constraints in the face of the large volume of litigation involved in the sphere of taxation which the tax administrator has to deal with. Hence, drastic and radical changes are required in the attitude orientation of a tax administrator even acting as a judge. This is desired, as Justice P.N. Bhagwati observed, to ensure not only 'speedy justice' but also 'social justice' to the people. The tax administrator acting as a judge, keeping in view the multitude and variety of tax litigation pending with him, has to adjust his methods and procedures and forge fresh tools for resolving the new kinds of problems faced by him.

*An Authority*

There are a number of provisions in various tax laws of the land which confer discretion on the tax administrators. As Morris R. Cohen observed in his book *Law and Social Order*, 'discretion makes the law work'. Discretion is necessary for individualised justice and to consider the unique facts and circumstances of each particular case which could never have been in the contemplation of the law givers. Creativity in justice is impossible without discretion and it is very essential and desirable in the context of the unending cat mouse race between the tax payer and the tax administrator. For tailoring the results of administration of justice to the needs of the circumstances, scope for exercise of discretion by the tax administrator is a must. When the scope for exercise of discretion shrinks and becomes too narrow, justice suffers from insufficient individualisation. On the contrary, courts in India have often observed that discretion is not absolute but it has to be judicious. Discretion may be sometimes quasi-judicial and, at others, it may be administrative. Even the exercise of administrative discretion is subject to supervision by the judiciary and it is not wholly unfettered.

A tax administrator has to be judicious in the exercise of his discretionary powers. Power to condone the delay in various tax matters like submission of different returns, statistics, statutory declaration forms and other information, power of stay of recovery of disputed tax demands, and the power of initiating penal proceedings and launching prosecutions and similar other powers vested with the tax administrator are the powers which involve exercise of wide discretion by him. But these discretionary powers must be exercised with due care and caution as the restrained or arbitrary exercise of these powers may make or mar a taxpayer. It may open the doors of judicial process or withdraw that opportunity in certain really hard cases. Therefore, a greater degree of judicious approach is warranted in the exercise of discretion in these cases because the result is not usually the subject of judicial review.

Let us not forget that scope for too broad discretion leads to arbitrariness and inequality in administration of justice. A Senate Committee in USA reported that different sentences ranging from 8 to 56 months were awarded for the same offence and the percentage of offenders released on probation varied between 10 to 80. To avoid such disparities in tax administration, it would always be useful for the tax administrator to place certain self-imposed restrictions over the exercise of his discretion.

The British Committee on Administrative Tribunals has placed great emphasis on: (i) openness, (ii) fairness, and (iii) impartiality in the exercise of discretion.

*Openness:* Openness means open standards and guides, open findings and reasons, open proceedings and open precedents. Open standards would require some sort of rule making or structuring the exercise of discretion. Open reasons stand for well reasoned judgements, decisions and orders so that the affected party may know whether it should do something to improve

its lot and to allow it to seek legal redress of its grievances, if available. Open precedents do not indicate the binding nature of the precedents but they suggest availability of precedents in similar circumstances. Therefore, openness is a natural enemy of arbitrariness and a natural ally in the fight against injustice. This essential aspect of fair and just tax administration must be brought home to the tax administrator for the proper exercise of his authority.

*Fairness:* Fairness suggests not only a fair opportunity of hearing but also an opportunity for the affected party to know what is considered or proposed to be done against it and to respond to it before a decision is, in fact, taken by the concerned authority.

*Scope of Impartiality:* Scope of impartiality is universal and well-known to everyone. The tax administrator has to be impartial between himself and the taxpayer, between one tax payer and another and also between the tax payer and his department.

#### *Legislator*

By legislation here is not meant the formal type of legislative activity which is the function of the parliament or state legislature. What is meant by this role of the tax administrator is the making of rules in his process of work and making them known to those who are likely to get affected by those rules of conduct of business. Within his own limited sphere, the tax administrator has to legislate as to his standards, procedures, policies, targets and strategies. This will avoid and minimise confusion and bring about clarity and uniformity in his working. It will also mobilise his activities and infuse better cooperation and observance of tax laws by the taxpayers.

#### *Tax Collector*

In the matter of collection and recovery of taxes and other legal dues from tax payers, coercive and compelling measures may have to be used by the tax administrator in his role as a tax collector. While adopting the measures of force and coercion, incorporated in the provisions of law, like distress sale of goods, attachment of property, freezing of bank and other accounts of the tax defaulter and procuring his civil imprisonment for non-payment of tax dues and even while resorting to legal forfeiture of property of the tax defaulter, a balance should be struck between firmness and accommodation. An attitude, with calmness, politeness and evenness, has to be maintained in these arduous functions of the tax collector. Harassment should be avoided in such cases and due consideration need be given to human dignity and regard of individual tax payers. Rules and laws have to be strictly followed in effecting recoveries and realising tax arrears; yet, wherever warranted, easy instalments should be granted in appropriate cases of hardship and other well deserving cases. Wherever waivers or reductions of penal charges like fines, penalties and penal interest are permissible

within the ambit of law, they should be allowed in deserving cases. Appropriate means of prior publicity and mass contact should be used before launching upon coercive and distress measures of tax recoveries. Things should be first set right at home within the administrative organisation before taking such coercive steps for tax recovery so as to avoid any subsequent embarrassment to the tax collector.

#### ENFORCEMENT OFFICER

##### *Tax Evasion, Tax Avoidance and Tax Administrator*

The role of the tax administrator as enforcement officer assumes significant proportions in the context of the social evils of tax evasion and tax avoidance. By avoidance of tax is meant minimisation of tax liability by taking advantage of the loopholes in law. However, tax evasion is out-and-out beating and by-passing of law. Indian and foreign courts have generally taken the view that there is no moral turpitude attached to tax avoidance. Tax avoidance is usually considered to be perfectly legitimate and within the four corners of law. There is a regular battle of wits going on between astute tax payers and the legislature, the tax payer always having a lead over the taxation department. His techniques of tax avoidance come to light after some time. They often get tested in the courts of law. When tax avoidance assumes such proportions as would defeat the very scheme of taxation, the legislature steps in to plug the loopholes in taxation laws. Fiscal legislation has inherent limitations and however well drafted and well defined the intentions, the amendments sometimes misfire. The astute taxpayer finds new loopholes and takes their advantage. Once again, the government machinery gets going and so continues the game.

Tax avoidance may not be immoral or illegal but it is certainly amoral. It is bad citizenship because the astute and resourceful tax payer can reduce his tax liability and thereby shift his burden on to others who are not similarly blessed. The burden will shift from the affluent and the astute to those whose affairs do not permit of manipulations within the ambit of law like the salaried class of people. Tax evasion on the other hand, is a criminal offence punishable under both the relevant provisions of the tax laws and the Indian Penal Code. It is illegal in conception and also in execution.

##### *Forms of Tax Evasion*

Forms of tax evasion generally indulged, in case of sales tax laws, are underground transactions of sales, under-billing, fictitious branch office and agency sales. Besides, sale of goods is given the artificial form of 'catering' in case of sale of foodstuffs and, in case of sale of cinema films, the usual mode of sales tax evasion is 'film hiring', from the distributors. In the case of entertainment tax, shows by 'passes' and 'complimentaries' and sale of spurious tickets are often found. In case of excises, manufactured goods are

shown as semi-manufactured goods or goods-in-process, delivery of goods is made frequently without gate passess, and disposals of goods are shown as 'seconds' sales besides suppressing production.

Under direct tax laws, a tax payer indulges in tax evasion by resorting to such actions as suppression or under-statement of sales and production, bogus or inflated debits for goods and expenses. Spurious partnerships and business in benami names are shown. Thereby the tax evader accumulates wealth outside the books of accounts which he tries to keep outside the gaze of the tax officials so as to avoid being caught in the tax net—the net which he has so successfully contrived to elude. Secreted income and wealth comes to surface sooner or later, but only under a heavy cloak of subtleties. It may appear camouflaged as borrowings, hundi loans or assets acquired apparently at reduced values, part payments having been met by what is commonly known as 'black money'. This 'black money' gets diverted into investments in gold, bullion or jewellery, or it is frittered away on items of conspicuous consumption. However, all such shady transactions and activities remain unrecorded in official books.

#### *Extent of Evasion and Black Money*

It is almost impossible to ascertain correctly the extent of tax evasion in the country because of numerous difficulties involved in the process. This fact has been acknowledged by almost all the committees and experts who have tried to ascertain the extent of tax evasion in India.

Certain attempts have, however, been made at estimating the extent of tax evasion in India from time to time. In the view of the National Planning Committee, estimates of tax evasion varied from Rs. 200 to Rs. 800 crores. The Taxation Enquiry Commission put the figure of evasion of income-tax at Rs. 50 crores. In 1956, Professor Kaldor estimated the extent of tax evasion at Rs. 200 to Rs. 300 crores a year for the year 1953-54. However, Professor Kaldor pointed out subsequently, before the Direct Taxes Administration Enquiry Committee, that his estimate also included tax lost in avoidance as well. The Direct Taxes Administration Enquiry Committee felt that the quantum of tax evasion, though undoubtedly high, was not of the magnitude indicated by Professor Kaldor. The Central Board of Direct Taxes estimated that the tax evaded in any one year would be Rs. 20 to Rs. 30 crores. Some non-official estimates are also available to show the amount of tax-evasion in India. Mr. Jacob Eapen gave an estimate of Rs. 38 crores whereas Mr. G.S. Sahota put the figure of tax evasion at Rs. 71 crores. According to Mr. R.K. Sehgal, evasion and avoidance were to the extent of Rs. 44 crores over the period of 10 years from 1950-51 to 1960-61 over which, according to him, only 43 per cent of expected increase in tax yield was collected and 57 per cent was evaded. The Wanchoo Committee has estimated that the extent of income-tax evaded during 1968-69 would be of the order of Rs. 470 crores, being one-third of escaped income of Rs. 1400 crores. Money

value of deals involving black money was estimated by the Committee at Rs. 7,000 crores. Further, according to the Wanchoo Committee Report, over the period of 7 years from 1961-62 to 1968-69, only 70 per cent of incomes were reported in non-salary group. As per the all-India income tax statistics available for 1976-77 reported incomes were Rs. 4,223.6 crores in this group. Therefore, on the basis of the Wanchoo Committee Report, 30 per cent unreported incomes in the non-salary group will work out to Rs. 1,809 crores for 1976-77 with tax revenue loss of Rs. 603 crores. At this rate and following this basis, income tax evasion at present could be estimated at anything between Rs. 2,000 to Rs. 2,500 crores per year with an estimated tax loss of Rs. 700 to Rs. 800 crores per year. As a result of the voluntary disclosure scheme, 1975, income (Rs. 700 crores) and wealth (Rs. 750 crores) equal to the extent of Rs. 1,450 crores were reported to have been disclosed. This shows that even as per the all-India income tax statistics for 1976-77, still there was a balance unreported income of Rs. 1,100 crores with tax loss of about Rs. 400 crores for that year.

It was believed by the Wanchoo Committee that black money was growing at a rate faster than the national income. At present black money deals would on a rough estimate be not less than 20 per cent to 25 per cent of the national income at current prices, which would work out to about Rs. 20,000 crores. This should give us an idea of concealed income escaping the tax net which is one of the causes of the existence and growth of 'black money' in the economy.

#### *Measures for Fighting Tax Evasion*

Since ordinary laws were found incompetent to meet the socio-economic evils of tax evasion, drastic changes had to be introduced in the tax laws of the country including the provisions for encroachment on the privacy of the citizens. Some of these drastic provisions have even been criticised as infringement of the fundamental rights. Thus, check barriers and check posts have been created to prevent evasion of sales tax. Personal screening has been provided under the Customs Act. In almost all the tax laws of the land, there are now legal provisions for surprise checks, surveys, searches and seizures at the business and residential premises of tax dodgers. In direct tax laws, these changes are aimed at detecting underground business activities and hoarded wealth. These legal measures also aim at realisation of tax dues even before determining the tax liabilities. Their purpose is also to discourage this nefarious game by rigorous punitive measures and wide publicity.

Law provides enough power to the tax official to combat tax avoidance and tax evasion. It is for the tax administrator to implement them ruthlessly and rigorously. But to achieve this object, there must be full awareness on the part of the tax officials of all the weapons in their armoury, their effective use and the relative efficacy of the respective weapons in appropriate cases. No doubt the evils of tax evasion and tax avoidance are the result of natural

human failings and the evil propensities promoted by the motive of self aggrandisement at the cost of others. These maladies can be effectively fought with the help of relevant deterrent action under the appropriate punitive provisions of tax laws.

#### *Object and Purpose of Rigorous Action*

While imposing irksome penalties and fines and launching unpleasant prosecutions against tax defaulters and tax offenders, the tax administrator has to act as an enforcement officer. In performing this role, he has to keep, at the back of his mind, the reformative and deterrent object of these rigorous steps to be taken by him. The object and purpose of levy of these fines and penalties is not so much to collect revenue as to set right the erring tax payer in his future conduct in tax matters and to prevent, by demonstrational effect, the occurrence and recurrence of serious tax defaults. Similarly, prosecutions are to be launched in cases of serious tax dodgers and tax-defaulters. It is, therefore, in the fitness of things that wide publicity should be given to achieve the desired object. Considerable powers have been vested in this connection with the relevant tax authorities for publication of information regarding big tax defaulters and those against whom prosecutions are launched. The purpose of all such publicity is to create meaningful demonstrational effect on tax payers in general.

As an enforcement officer, a tax administrator has to plan, conduct, guide and supervise survey, search and seizure operations. In all these matters strict vigilance is required. Proper collection, collation and analysis of relevant information and data about specific cases conducted through the intelligence machinery of the tax organisation, must remain highly confidential and, as far as possible, under the strict personal supervision and control of the enforcement officer. Elements of personal bias and subjective prejudice must be carefully dispensed with while utilising intelligence statistics for taking action for survey, surprise checks, searches and seizures. Actual operations of survey and search under the tax laws must be conducted with caution, care and strictness. But politeness, mixed with firmness, is to be observed. Due regard must, however, be made for the personal, business and commercial inconvenience of the affected party. Broadly speaking, the tax administrator has to formulate and adopt his own unique strategy befitting the particular set of circumstances of each particular case while discharging such functions.

#### *Mischief Rule of Interpretation*

Various preventive and curative legal provisions have been provided in different tax laws with a view to combat the evil of tax evasion. While interpreting and applying these provisions, the tax administrator must never lose sight of their objectives. In this regard, he should remember and apply the 'mischief rule of interpretation' and place on given legal provisions that

interpretation which suppresses the evil and promotes the remedy wherever there is any scope for more than one interpretation.

#### TAX EDUCATOR

In the role of tax educator, the tax administrator has to sell the theme of the tax he is to administer. Purpose of all tax education is to educate and cultivate the tax payer to achieve the maximum voluntary compliance with tax laws. Here, the target group is the taxpayer but the benefit group is the society in general. Mass communication programmes should be organised and public meetings with various chambers of trades and commerce should be held to explain to the people that all taxation laws have been adopted by the government after the parliamentary sanction where representatives of the people have thoroughly discussed and debated the various pros and cons of the levy and then decided to enact these tax laws with certain objects in view. Invisibility of *quid pro quo* involved in taxes should be brought home to the people. Thus, the people's consciousness should be evoked and aroused for their active participation in the tax effort for the socio-economic development of the society and welfare activity of the state. Trust of the people has to be created in the tax system, tax organisation and tax machinery. Means of mass media like the press, radio, films and television could be used as vehicles for wide publicity in this direction. For the benefit of the existing tax payers and even the prospective ones, their lawful claims and rights and statutory obligations and liabilities should be properly communicated through appropriate means of audio-visual publicity and by public contacts. People should be told about the time schedule, method and manner of discharging their various obligations under the tax laws and also of the consequences in cases of lapses, errors, omissions and commissions. Socio-economic evil effects of tax evasion and the immorality attached to it need be effectively emphasised through public meetings, press interviews, etc. Tax payers also deserve to be apprised of the various reliefs, rebates, concessions and incentives provided under the tax laws of which they could take due advantage. Whenever schemes of voluntary disclosures of income and wealth, etc. are launched for the benefit of ignorant people in tax matters, similar widespread and thorough publicity of those schemes is required.

Camp offices should be held for the convenience and help of tax payers not only for routine disposal of work but also for mass communication programme. In these camp offices, demonstration should be made through practical performance of work in accordance with the publicity of the various schemes and methods of the work of the tax organisation so as to inculcate the tax payers' confidence. The income-tax department had launched its 'mass communication programme' in May, 1972 based on the recommendations of the Wanchoo Committee, which was subsequently followed by the 'tax shy scheme' or the 'scheme for expeditious disposal of small income cases'.

The voluntary disclosure scheme was introduced in 1975 for the benefit of the ignorant and defaulting tax payers to give them a chance to set right their tax affairs. In sales tax and central excise department also, scheme of *suo moto* acceptance of sales tax returns and 'self-removal' scheme were recently made popular. Income tax department again launched upon its 'mass communication week' in October 1980 for creating mutual trust and goodwill between the department and the tax paying masses.

#### EXPERT

By the very nature of his duties a tax administrator is supposed to have acquired a lot of experience and expertise in his professional functions. He is also taken to have gathered knowledge of the shortcomings of the tax payers and defects in their accounting methods, their lapses in filing various returns and furnishing the required information. Various failures of the tax payers cannot go unnoticed by the scanning and screening eye of the tax administrator. Therefore, it is the duty of the tax administrator to inspire and advise the taxpayers to follow proper accounting methods, duly claim various legal benefits, exemptions and refunds and observe the right method and manner of filing required data and returns. In unrepresented cases of ignorant tax payers and in cases of tax payers with inadequate or insufficient knowledge of tax laws, such guidance is desirable from the tax administrator as an expert. His advice should also be rendered in typical cases of technical problems arising out of complicated legal provisions. Public circulars and other executive instructions issuing clarifications on such complicated issues must be brought to the notice of the affected party to enable it to get the due benefit. The Central Board of Direct Taxes issued, for example, public circular No. 220 of 31.5.1977 to clarify the provisions of rule 6DD(j) in the matter of disallowance under section 40A(3) of the Income Tax Act, 1961, of cash payments for expenses of more than Rs.2,500 at a time. Expert advice on all such matters should be rendered by the tax administrator.

#### PROMOTOR OF SOCIAL CAUSES

In his outlook, a tax administrator has to adopt a humanitarian approach in giving effect to the various legal provisions in the different tax laws for alleviation of human sufferings and promotion of social causes. Even in a 'welfare state' like ours, all the welfare activities cannot be undertaken exclusively by the government and sufficient scope has been left for voluntary social work through private bodies. Thus, liberal interpretation is required by the tax administrator of the legal provisions regarding relief to be provided for things like medical treatment of handicapped dependents, donations to certain funds and charitable institutions and in the cases of the totally

blind or physically handicapped persons for which, for example, special sections have been provided in the Income-Tax Act, 1961. It was with this view that some time back a very valid, well deserving and strong recommendation was made to the highest executive authority of direct taxes for exemption and tax benefit in respect of Mother Teresa's Nobel Prize receipt. After all, a number of tax concessions have been specifically provided for in various tax laws of the land for a variety of social and charitable causes which shows the serious concern of the legislature for these activities.

In his own organisation, the tax administrator has to adopt an appropriate leadership style while dealing with his own subordinates and, similarly, a suitable pattern of behaviour with peers and superiors has to be evolved and adopted. As the management scientists tell us, effective leadership depends on the leader, his followers, the situation and the inter-relationships between them. Three frequently mentioned 'styles' of leadership are: (i) autocratic or authoritarian style, (ii) democratic or consultative style, and (iii) free rein or *laissez faire* style. A tax administrator may have to adopt a particular type of combination or mix of these leadership styles in a given situation depending upon his own assumptions, feelings and perceptions in the given situations, considering the nature of task involved, the other people involved, and the setting in which they find themselves.

Needless to point out that in the present day socio-economic context, the tax administrator will be well advised to follow the 'participative' type of management in most situations while functioning in his own tax organisation from each constituent of which he has to draw out the optimum quantity and quality of output in the matter of disposals, collections and recoveries, etc., according to various priority schemes and time-schedules as per well laid out action plans. Management by objectives, laying down key result areas (KRA) should prove effective and useful in achievement of the various tax objectives and for effective administration of tax laws in any tax organisation.

Relationship of the tax administrator with his subordinates has to be sympathetic and considerate; with peers, it should be accommodating and cooperative; and with superiors, it should be regardful and devoted to the purpose of the organisation. Fairness, impartiality and objectivity must, however, govern the tax administrator's inter-personal relationships not only within his own organisation but also, while dealing with members of the public, taxpayers and their authorised tax counsels and advocates. His overall attitude has to be humane, full of understanding, sympathy and consideration. No doubt, the purpose and aims of the tax organisation are to be held highest in the esteem of the tax administrator.

Appropriate management information systems (MIS) should be adopted for the functioning of the tax administrator to achieve the objectives of the tax organisation with least cost and maximum benefit. However, the particular MIS to be followed should be open, scientific and subject to periodic

review, checks and counter-checks so as to ensure veracity of the information supplied and its usefulness and also to avoid and minimise wasteful collection of unnecessary and also superfluous statistics.

Besides giving to and drawing from, vertically upwards and downwards, the following of authority in command *v's-a-vis* his superiors and subordinates respectively, the tax administrator is often required, laterally, horizontally, to cooperate with his colleagues in the same organisation in which he is working or outside it. In this coordinating role, the tax administrator must render to and seek from other administrative and tax organisation, the required help and information for their mutual benefit and effective functioning. Various tax organisations and administrative authorities have to work in unison and cohesion, moving hand-in-hand to achieve the broader socio-economic goals. Hence, it is very necessary that there should be a close and well-knit coordination in the functioning of organisations and authorities like the enforcement directorate, the central excise and customs department, the income-tax department, the industries and commerce department, the sales tax and entertainment tax department, the district administration and the police organisation. Such coordination must be achieved at all levels—central, state, district and local, and there should be regular and purposeful interdepartmental flow of information of vital use in the respective organisations. Follow-up results of all such interflow of information and mutual cooperation are expected to be quite spectacular, prominent and fruitful.

Even inside the same tax organisation, close coordination is required among its intelligence, executive, judicial and audit wings for effective functioning. Such coordination and mutual help can be procured with the active role play of the tax administrator as a helpful colleague. Thus, for example, the functioning of a tax organisation is to be so directed that the field level executive authority, the middle management level authority, and the appellate authority work as a team rather than as independent authorities. For instance, in the income-tax department, a new concept of a team has been emerging in the functioning of the income-tax officer (ITO), the inspecting assistant commissioner (IAC), and the appellate assistant commissioner (AAC) while in the past, and AAC would be usually considered as an authority independent of an IAC and merely as a judicial authority. Recently, a move has been ushered in to actively involve the AAC in the task of arrear reduction and collection of old and arrear tax dues by setting priorities for the disposal of old and high tax demand appeals fixing their hearings out of turn for which formal requests are made by the commissioner of income tax as a superior and by an IAC at peer and even by an ITO at the subordinate level. With such close coordination and cooperation in the functioning of different kinds of authorities at various levels, better and more effective results have been achieved in certain key result areas. However, a precondition of the success of such an organised,

well-knit and concerted working of the tax machinery is the conscious and effective role play of the tax administrator as a coordinating and helping colleague.

#### CONCLUSION

Thus, perceiving his role in its proper perspective, adopting an appropriate style of functioning and approach towards things, assuming a suitable attitude within and outside his tax organisation and heading effectively towards the attainment of the desired objectives, a tax administrator can certainly prove himself an indispensable instrument of socio economic change for the furtherance of the cause of the nation. It is in this way that the tax administrator will be welcomed by the society as no less than a welfare officer.



#### Tax Revenues—Centre and the States, 1979-80

The combined tax revenues of the Central and the State Governments, including the Union Territories, in 1980-81 budgets are estimated at Rs. 18,735 crores showing a growth rate of 8.8 per cent over 1979-80. This rate of growth is about two percentage points less than that recorded in the revised estimates for 1979-80 over the actuals of 1978-79. The budget estimates indicate continued buoyancy in customs duties due to larger imports expected during 1980-81. The somewhat slower growth expected in case of the Union excise duties was due to the slow-down in industrial activity which spilled over to the first half of 1980-81....

States' own tax revenues (other than their share in Central taxes) are estimated to increase slightly less at Rs. 559 crores (or 10 per cent) in 1980-81 compared with the increase of Rs. 595 crores (or 11.9 per cent) in 1979-80 (RE). The estimates of tax revenues for 1980-81, however, do not take into account the effect of post-budget measures of additional resource mobilisation undertaken by the State Governments subsequent to the presentation of their budgets.

—*Economic Survey, Government of India, 1980-81.*

## Certain Unsolved Problems of Development\*

P.D. Kasbekar

HAVING BEEN a civil servant, my predilection is towards the mechanisms employed for problem-solving with given objectives, rather than for pronouncing on the objectives themselves. I therefore propose to dwell on certain problems of development which according to me have remained unsolved because of the lack of the requisite skills and insights within the governmental machinery.

I do so not because I am unaware of or that I am unimpressed by successes registered by the state in lifting the economy of the country from out of near stagnation 30 years ago to its present dynamism. The state can, indeed, be proud of the increases in agricultural production, specially of wheat and rice, secured largely as a result of the green revolution, which the state triggered off and which has held at bay the malthusian spectre of the law of diminishing returns. On the industries front, the successes achieved have earned us not only a new label, NIC, *i.e.*, a newly industrialising country but it has also given us a fairly high ranking among the industrial countries of the world.

We are also not an insignificant exporter now of manufactured goods even to the (advanced industrial countries (AICs). As regards the technology of planning, it is noteworthy that what looked like distracting apprehensions which worried our planners, right from the start, about the possibilities of the rich getting richer and the poor getting poorer unless special care was taken, have by now become part of the accepted theory of economic development, which recognises that it is not enough to focus on GNP, that GNP can grow leaving the poor high and dry, and that the problem of poverty needs to be separately tackled, directly and concurrently. I think I have said enough to indicate that it is on the basis of adequate awareness on my part of the manysided achievements of the state that I turn to the problem areas, the solutions for which have eluded the state's apparatus so far.

### INDUSTRIAL LICENSING

Let me start with industry. We have the system of industrial licensing.

\*Adapted from a speech delivered at the 23rd National Convention of the Institute of Costs and Works Accountants on February 8, 1981.

The purpose is to discourage setting up of projects which would be contrary to the accepted policy in the sense of their being of low priority, or their being proposed by the wrong kind of promoters, or their proposed location in the wrong places, or their being an unduly large burden on our foreign exchange resources, and so on. I am sure it will be admitted on all sides that these objectives have been, by and large, achieved by the licensing system. It might even be said that the system has been operated flexibly enough to mould the original proposals into acceptable revised versions. There have no doubt been complaints, from time to time, that the entire process is too time consuming, but even here it must be admitted that the authorities have been responsive and willing to innovate so as to give satisfaction. While all this is true, the fact remains that the licensing system has not yet been backed by any other system or systems which would generate the requisite number of new proposals in the desired areas, or which would ensure that, what has been cleared by the licensing system, gets speedily implemented on the ground. It is not just a case of there being no agencies within the government who could be entrusted with these responsibilities. The question is how to build the necessary skills and aptitudes and supporting environment, within the governmental apparatus, to enable it play this kind of catalytic role for expediting constructive decision-making in diverse quarters, and at several levels, without the perpetual fear of unwitting transgressions of the conduct rules.

The same incapacity of the governmental machinery comes to the fore, when it comes to a licence holder under-utilising or over-utilising the licensed capacity. In the latter case, some kind of action on paper is set in motion, but with such little practical effect that one is tempted to ask whether there is any point at all in the licence laying down any output limit. The position is much worse when it comes to the under-utilisation of the licensed capacity. There is nothing that can be done if a licence holder chooses to under-implement his licence. And where it is a case of under-utilisation of the installed capacity, there is no agency within the government, which is equipped to get the hurdles to full utilisation speedily removed. Again it is a case of the governmental system not having developed within it the catalytic capabilities to speed up the growth process, which depends upon the synchronised action of several agencies. It is needless to say that under-utilisation of installed capacity must be one of the major causes of the increasing capital output ratio within the economy.

Extreme cases of under-utilisation of capacity are generally seen associated with what is called industrial sickness. This is an area where the use of medi-cure terms such as nursing, transfusions, etc., creates an illusion of the availability of the requisite remedies. In actual fact, there are not many success stories. It may be that the sickness of certain units is beyond redemption and what is needed, to continue the medical metaphor, is euthanasia and not further fruitless nursing, but this too has become unfeasible,

specially where large pockets of employment are involved. Even the financing agencies shrink from closures because that means immediate facing up to the bad debts. All kinds of self-delusions are practised like, for example, segregating the accumulated liabilities for some time so as to deal with the patient unit as if starting afresh, and hoping that once it turns the corner, it would soon grow strong enough to repay all such accumulated debts.

It seems to me that all this wishful thinking does more harm than good. Even if a closure is not feasible, or it is avoidable on merits, undertaking the nursing of it without a prior surgical cutting down of the financial liabilities of the unit to what it can realistically bear is a doomed proposition. A financial reconstruction is therefore a must. Reconstruction, however, is such a time consuming operation, because it depends on the volition of so many parties. It is for consideration whether the same reasoning which has justified compulsory arbitration in the case of wage disputes, by industrial tribunals, could not be pursued in devising a speedy mechanism for the compulsory reconstruction of a sick unit by a quasi-judicial authority, adequately supported by all relevant expertise. Lest it be said that this might further encourage bleeding of enterprises by dishonest managements, it could be laid down that the same tribunal would decide whether the old management should continue or whether the unit after reconstruction should be transferred to a better management by way of a merger or as a subsidiary. A suitable procedure of inviting offers and selecting from them could be devised for this purpose. To deal with situations where there might not be immediate offers, some kind of transitional arrangement might have to be thought out. There have been a few cases of management consultants having taken over the management of sick units for a fee. Of course, it is a little too early to say whether this has proved a viable solution. The point, nevertheless, remains that for want of a speedy mechanism for reconstruction, the only way out has been nationalisation.

One major cause of under-utilisation of capacity, which can develop into sickness, is labour trouble, specially when it is accompanied by intimidation and violence. Occasional work stoppages can be taken in one's stride and in any case they are a fact of life. But violence leads to the ouster of reason and good sense, on both sides. In the process, the unit suffers grievously. Unfortunately, the governmental agencies have not been able to recognise the fine line between what is legitimate withholding of cooperation by labour, which is a matter for conciliation, adjudication, etc., and what constitutes intimidation and violence, which is a law and order problem. As a result, there is either over reaction on the part of the government machinery, or no action at all, under cover of specious legalism. The problem is only compounded by the fact that there are two departments involved in such cases which do not always see eye to eye.

## PROBLEMS OF THE SMALL SCALE SECTOR

I have so far dwelt with the problem areas pertaining to the large and medium scale industry. Small scale industries also, by which I have in mind units which differ from the large and medium units only in the value of plant and machinery, and not technologically, are not wholly free from the problems mentioned above. Only, in their case, the happenings are not so eye catching. The formalities they have to satisfy before they can get set might not worry the chambers of commerce, but they are cumbersome enough to entail a high incidence of transactional costs by which I mean expenses which the small entrepreneurs are required to incur to complete the requisite formalities with the various governmental agencies concerned. As regards problems of capacity utilisation, fortunately, the registration does not lay down output limits. As for sickness, closures take place unobtrusively, and labour violence, etc., remains relatively unpublicised. The need for an arrangement for speedy financial reconstruction is as valid in their case as for the large and medium sick units. Only, the expedient of bringing in new management is generally unfeasible in their case and, therefore, where management does not deserve retention, there is generally no alternative to closure.

I shall now turn to the much smaller industries represented by the artisan industries and the labour intensive industries propagated by the Khadi and Village Industries Commission. Let me call them the cottage industries. The last government at the centre placed considerable reliance on this sector to fulfil the very high targets of employment the still born 6th Plan set for itself. I must, however, observe that the problem was not thought through. Everyone knows that most of these industries have managed to survive because there are still local markets for them, despite their continuous erosion at the hands of the higher technology sector. It is obvious that the cottage industries sector can grow in output and employment only if its market expands. How to do this is something which the governmental agencies have not been able to find an answer for. A few emporia here and there are all right for the handicrafts, but where the items are such as cannot stand the costs of transport over long distances, the stress will have to be on building upon and strengthening the existing local markets. But, as I said earlier, no viable methods of doing this have been found so far.

## INCENTIVES TO AGRICULTURE

I shall now deal with some of the problem areas on the agricultural side. Plan after plan, considerable investment has been made by the governments to create a large irrigation potential. The record of its utilisation, however, by the prospective beneficiaries has been almost without exception, extremely discouraging. It seems incredible that water which is considered such a precious facility by most farmers, takes so long to be used by those for whom

it is meant. The problem has been examined at great length but no effective solution has been found so far. The governmental agencies have not been able to tackle the problem of the farmers within the command, who are unequipped, management wise, to take to irrigated farming. They have also not had much success with farmers who might have the management capabilities but who feel unable to afford the risks involved. There is, of course, no question of replacing the unfit and the unwilling, by other farmers from elsewhere. The problem has to be solved with the farmers as they are, by helping them to overcome their handicaps. This capability is yet to be built into the governmental agencies concerned.

Another problem area relates to the adoption of higher technology by the small and marginal farmers. Although higher technology is said to be scale-neutral, there are other aspects of the matter which cannot be overlooked. One of the prerequisites of adoption of higher technology is access to credit. While the large and medium cultivators have relatively less difficulty in coping with the formalities of the institutional credit agencies, the smaller farmers are said to find the transactional costs quite forbidding. Perhaps, if the institutional credit agencies had been permitted higher rates of interest, they could have considered relaxing the formalities, thereby reducing the transactional costs. I am aware, however, that there is no point in pursuing this line of thought, because economics is so much overshadowed by politics here. There is also the question of risk as perceived by the small farmers in asking for more credit. The small farmer is afraid that if the higher technology misfires for any reason, he might be landed with a debt which he may never be able to shake off. The solution recently tried by one State Government and sought to be emulated by others for populist reasons, is, of course, no solution. I have in mind the decision of the Government of Maharashtra to use funds from the public exchequer to pay off the accumulated overdues of small farmers to the institutional credit agencies. This kind of crutch can become a habit, and then credit operations will have to grind to a halt. As it is, the institutional credit agencies are yet to develop a capability for establishing working relations with farmers on the basis that the latter recognise the loan as a loan, and willingly accept the liability of repaying it because of their expectation do so from out of the incremental incomes that the loan would generate. This is a painstaking process and shortcuts can only add to the difficulties of having to start all over again.

Despite all these problems, there is no doubt that, thanks to various initiatives taken by the state, the institutional credit structure has come to have a much more effective presence, specially in the rural areas, than it had some thirty years ago. The same cannot however be said of the marketing scene. Barring a few spectacular exceptions, the marketing infrastructure for the rural economic activity continues to be self-centred, if not exploitative, and indifferent, if not hostile, to the developmental needs of those whose produce it markets. This character of the private sector marketing

structure is responsible for depressing the profitability of most investment proposals in the rural areas. It is also one of the reasons why the institutional credit structure is still so unsure of its development banking role in the rural areas. It is high time that steps are taken to provide an institutional alternative to all rural producers in the marketing of their produce.

I shall make a passing reference to one more area. Very correctly, we have decided that poverty needs to be tackled direct. This means leading the poor into new avenues of gainful employment. The temptation is to think that this can be achieved with a few subsidies on the part of the government and loans from the institutional credit agencies. Experience has shown that the problem is not that simple. Gainful self-employment requires not only a modicum of managerial and technical knowhow, but also the support of a congenial credit and market environment. The state agencies seem to have hardly any clue, so far, as to how they should go about ensuring these prerequisites. As a result, much of the effort becomes infructuous.

My purpose here is to draw attention to areas where the objectives can be said to be fairly clear, but the agencies charged with achieving them have not mastered the relevant techniques. The problems are undoubtedly complex. Perhaps they call for new breeds of government servants and new breeds of departments. This is where the professionals come in.

### **Outlook for Industrial Growth**

The expected growth rate of industrial production of 4 per cent during 1980-81 though much higher than the previous year is still lower than the compound growth rate of 4.9 per cent achieved during the decade 1970-71 to 1979-80 and the target rate of 8 per cent assumed for industrial output during the Sixth Plan. Although the lagged impact of excellent agricultural production during 1980-81 and the momentum of industrial recovery will spill over into 1981-82 and boost industrial production in that year, yet the extent of revival will critically depend on the speed with which the infrastructural bottlenecks are overcome. For achieving a high growth rate it will also be necessary to make up lags in investment in certain key industries, overcome inefficiency in industrial management, and reverse deterioration in labour relations.

## **First and Second Order Knowledge in Administrative Development in the Arab World\***

**Asim Al-Araji**

**T**HE MAIN proposition in this study is that administrative under-development in the Arab world, which is part of the 'less advanced world', is due (besides other possible reasons) to failure in sufficiently acquiring, and effectively using certain required knowledge by concerned administrative systems.<sup>1</sup> And for the purpose of clarifying the framework of this study the following three propositions are adopted:

One : The state administrative system is, in essence, a number of formal and informal behavioural patterns of individuals and groups of individuals, related by certain formal and informal norms, and directed towards accomplishing certain state goals within given human, material, and time limitations.

Two : Public administration is the processes of producing public goods and services in certain quantities and qualities, and the processes of distributing these goods and services according to certain criteria for the purpose of satisfying public demands within the framework of the general state policy and within the limitations of given environmental factors.

Three : Qualitative and quantitative changes in norms and behavioural patterns embodying the concerned state administrative system (presumably the dependent variable) should be relevant to qualitative and quantitative

\*This article is based on field visits and interviews by the author in Arab countries since 1972. It draws upon the work the author is currently doing in preparing a book-length manuscript on contemporary problems in administrative, technical assistance to the less advanced nations.

<sup>1</sup>The role of 'knowledge' in the less advanced countries administrative systems has been almost neglected, unlike the case of the more advanced countries in public administration literature. Some of the contemporary thoughts about the role of 'knowledge' in the more advanced countries' administrative systems are:

—Nicholas L. Henry, "Knowledge Management: A New Concern for Public Administration", *Public Administration Review*, Vol. 34, May/June 1974, pp. 189-196; James D. Carroll and Nicholas L. Henry (Symposium Editors), "A Symposium-Knowledge Management", *Public Administration Review*, Vol 35, Nov./Dec. 1975, pp. 567-602.

changes in public demands (presumably the independent variable).

Based on the three propositions administrative under development refers to the level of 'irrelevancy' of changes in norms and behavioural patterns of an administrative system to changes in required public goods and services.<sup>2</sup> In other words, administrative under development results from some or all of the following causes:

1. Failure of the concerned administrative system in effectively and sufficiently acquiring information about the qualitative and quantitative aspects of the required changes in its practically adopted norms and behavioural patterns. (This knowledge will be termed 'second order knowledge' on the premise that it concerns the dependent variable referred to in proposition three).
2. Failure in effectively and sufficiently acquiring information about the qualitative and quantitative aspects of the required changes in public goods and services. (This knowledge will be termed 'first order knowledge' on the premise that it concerns the independent variable referred to in proposition three).
3. Failure of the concerned administrative system in practically using the acquired first and second order knowledge in specifying the required new behavioural norms and patterns, and in shaping the required new public goods and services.

Obviously, any one of these three cases can lead the concerned administrative system to *inefficiency* or *failure* in satisfying public demands.<sup>3</sup>

#### FIRST AND SECOND ORDER KNOWLEDGE

Since the first order knowledge concerns changes in public demands, it should include information about all possible influences from various related factors. Information about the nature of the adopted state system is an essential part of the first order knowledge. Naturally, the inclination of the state towards centrally planned or un-planned, democratic or non-democratic, socialist or non-socialist, etc. 'models' could have certain

<sup>2</sup>For other definitions of administrative development, see, for example: Fred W. Riggs (ed.), *Frontiers of Development Administration*, North Carolina, Duke University Press, 1970, 6. p. 75.

—Gerald E. Caiden, "Development, Administrative Capacity and Administrative Reform", *International Review of Administrative Sciences*, Vol. XXXIX, 1973, pp. 327-344.

<sup>3</sup>The 'irrelevancy' of changes of the adopted goals by the administrative systems, to changes in behavioural norms and patterns embodying these systems in Arab countries will be the subject of an up-coming research publication titled "Old Means for New Goals in Administrative Development: With Special Reference to Arab Countries."

influences on both the public and the bureaucrats' attitudes towards public demands which should be considered by the state administrative system. It can be clearly observed that there are relatively large differences between officially recognised public demands, in terms of demographic and geographic scope, variety, magnitude, and quality, of a state moving towards a socialist system and another state moving in a non-socialist direction. Therefore, the ignorance in the general inclination of the state system will probably lead to develop unrealistic goals for the state concerned.

Meanwhile, information about the observed general trends in the social, economic, and cultural systems prevailing in the Arab state and their impact on public demands are our essential part of the first order knowledge too, as illustrated in Table 1.

TABLE 1 GENERAL TRENDS OF CHANGE IN ARAB COUNTRIES

<i>Trends in the cultural, economic, and social systems</i>	<i>Trends in public demands</i>
Population increase	Increasing quantities of demanded and produced public goods and services
Rural migration to central cities	
Raising living standards	
Increasing complexity of requirements of daily life	Improving qualities and increasing diversities of demanded and produced public goods and services
Mounting desires for catching up with advanced countries	
Mounting impact of scientific and technological progress	Increasing emphasis on equity as a criterion for distributing public goods and services
Continuing impact of modern thinking concerning freedom, equality, and civic life	
Continuing influences of system analysis and behavioural approach in studying and practising administration	Increasing emphasis on more responsiveness to public demands Increasing reliance on state administrative systems for satisfying public demands

Population increases, urbanisation, and rising expectations, for example, as shown in Table 1 have continuously led to magnify and diversify public demands. Therefore, a failure in effectively and sufficiently acquiring information about the direction, duration, and intensity of the above mentioned general trends of change could possibly lead to a failure in shaping a reasonable administrative system's goal.

To sum up, a failure in effectively and sufficiently acquiring the first order knowledge usually leads to failure in realistically specifying public demands which eventually make specified norms and behavioural patterns of the administrative system irrelevant.

Second order knowledge concerns the qualitative and quantitative changes in administrative norms and behavioural patterns, embodying the administrative system. Usually, the adopted formal and informal norms and behavioural patterns are directly related to, and influenced by, the larger social

system.

The adopted administrative norms and behavioural patterns are also influenced by the socio-psychological make-up of individuals, working inside the concerned administrative system and by individuals dealing with it. Therefore, second order knowledge should imply information about all these factors in addition to information about the formal aspects such as the communication system, the decision making system, the hierachal system, the division of work system, etc. Also information about interactions between the above mentioned formal and informal aspects and information about the outcomes of these interactions should be included in the second order knowledge.

Finally, second order knowledge should include information about changes in various administrative techniques, concepts, models, and theories which might be of some use to the concerned administrative system.

Therefore, failure in effectively and sufficiently acquiring second order knowledge could lead to create bottlenecks, slow down in work, and wastage of available human and material resources. All these possible outcomes could consequently lead to undesired effects on the qualitative and quantitative aspects of the public goods and services produced.

#### ARAB WORLD PROBLEMS CONCERNING KNOWLEDGE

In spite of the variations among Arab states in terms of goals, human and material resources, policies, and level of stability, it is observed that they share quite a few problems regarding first and second order knowledge.

##### *Irrational Emulation<sup>4</sup>*

Arab countries usually follow, in one way or another, the developed nations' example. Emulation in the context of progress and modernisation is undoubtedly desirable and could be of positive outcome. But emulation could be of negative consequences if it is 'irrational'. In this connection, a number of cases could be observed in Arab countries about irrational emulation in the context of the first and second order knowledge.

The high similarities of the Arab states' universities' curricula in teaching administration and training programmes with those of the developed countries could be considered a sort of irrational emulation. Although there could be some generally accepted framework in teaching and training administrative subjects, it is observed that the peculiarities of the administrative systems in Arab states are generally unreflected in their present training programme and in their universities' teaching curricula. Naturally,

<sup>4</sup>Asim Al-Araji, " 'More Advanced' Strategies for 'Less Advanced' Countries : A Study in Administrative Development", *Indian Journal of Public Administration*, Vol. XXVI, No. 1, January.-March, 1980.

the outcome of such irrational emulation is the accumulation of irrelevant first and second order knowledge.

Additionally, the irrelevancy of the first and second order knowledge could result from the emphasis on getting the largest possible number of Arab and probably other developing nations' students educated in highly specialised fields in institutions of advanced countries where the curricula are generally developed for their own local needs.

Foreign experts and consultants working in Arab countries could probably play the game of irrational emulation if they were not sufficiently aware about the uniqueness of administrative capabilities, problems, and requirements of these countries.

Other examples of irrational emulation could be observed in connection with the application of some advanced administrative techniques such as cybernetics, computer system, the PPBS, ZBB, and various modern planning models in the Arab countries. The attempt at applying certain advanced administrative techniques, which were primarily developed for the more advanced countries needs, has resulted in not a few cases of failure.

Usually the outcome of all the above mentioned cases of irrational emulation is acquiring first and second order knowledge which has limited relevancy to the concerned administrative system not well fitted with each other and/or which may not be empirically used.

#### *Cultural Obstacles*

The domination of old traditions could negatively influence the process of acquiring, interpreting, and empirically using the needed first and second order knowledge in the Arab states. The lack of flexibility and the rejection of change which characterise the views of several bureaucrats in state administrative systems, usually hinder the acquiring, interpreting, and using the needed first and second order knowledge. The traditional interest groups and leadership in the Arab administrative system play a major role in this connection.

Nepotism, regionalism, tribalism, besides sectorial and religious beliefs, are taken as thinking-bases by many bureaucrats in the Arab world for acquiring, interpreting and empirically using the first and second order knowledge.

The outcome of the above mentioned position of traditional bureaucrats therefore is a hinderance to the process of effectively acquiring, interpreting, and empirically using the needed new knowledge.

#### *Limited Capabilities*

The limitations of the material, scientific, and technological resources of the Arab administrative systems represent additional obstacles in effectively and sufficiently acquiring and using the required knowledge. These limitations usually create problems in maintaining proper timing and proper levels of

accuracy and sufficiency in acquiring, interpreting, and in practically using knowledge.

#### *Brains Emigration*

Another problem confronting the Arab states is the emigration of qualified citizens. Due to the attraction of international markets, the partial utilisation of talent and experts inside the Arab countries themselves, and the hard competition of the traditionally oriented interest groups in state administrative systems, a number of qualified citizens are having Arab countries. Naturally the continuation of this emigration, especially from the low income Arab states, could negatively influence ongoing efforts for acquiring and using the required new knowledge.

#### *Monopolising and Rationing Knowledge*

Monopolising and rationing information by developed nations is probably an additional problem facing the administrative systems of the Arab and other developing nations.

Restrictions on modern technology transformation, limitations on the number of seats for foreign students in universities, and the conditions attached to the lending of experts to Arab and other under-developed countries, are unmistakable features of the developed countries' foreign policies. The monopolising and rationing of information transformation in the present world could thus play a negative role in regard with acquiring, interpreting, and using the needed knowledge.

### A COMPARATIVE OUTLOOK

State administrative systems vary among themselves in quantity and quality of the needed first and second order knowledge they can acquire and effectively use. They also, therefore, vary in terms of the level of administrative development they can realise. Developed countries, in general maintain better capability in acquiring, categorising, storing, analysing, and using the required information than other countries because of their scientific and technological superiority and because of their material resources. Additionally, the developed countries' administrative systems show relatively higher adherence to, and reliance upon, modern science and technology in dealing with the needed information than the Arab and other developing countries where traditional beliefs and mores still play a significant role in this regard. Meanwhile, the concerned public in the developed countries generally maintain a higher understanding to, and reliance upon, modern science and technology in giving and taking information with their administrative systems than the Arab and other countries' public. All these factors undoubtedly put developed countries' administrative systems in a better position in acquiring and using knowledge than the Arab countries.

#### SUGGESTIONS

1. Establishing a data collection and process network geared to major decision-making centres could be a major procedural suggestion for the underdeveloped Arab administrative systems. A modern data bank and a modern recording system are undoubtedly helpful too for overcoming contemporary insufficiency and inaccuracy of information in Arab and in probably other under-developed countries.
2. Education and training programmes in administration with emphasis on behavioural, interdisciplinary, and systems approaches are probably useful for preparing Arab and other developing nations' administrative leadership in specifying the magnitude and types, besides the methods of using of the needed information.
3. Enhancing the awareness of the public and the personnel through proper official and mass media channels about the usefulness of reliance on modern science and technology in decision-making.
4. Minimising the influences of traditional leadership and maximising the influence of the modern sectors in administrative policy making are undoubtedly helpful for the present Arab administrative system.



#### The Roots of Culture

Culture, if it has any value, must have a certain depth. It must also have a certain dynamic character. After all, culture depends on a vast number of factors. If we leave out what might be called the basic mould that was given to it in the early stages of a nation's or a people's growth, it is affected by geography, by climate and by all kinds of other factors. The culture of Arabia is intimately governed by the geography and the deserts of Arabia because it grew up there. Obviously, the culture of India in the old days was affected greatly, as we see in our own literature, by the Himalayas, the forests and the great rivers of India among other things. It was a natural growth from the soil. Of the various domains of culture, like architecture, music and literature, any two may mix together, as they often did, and produce a happy combination. But where there is an attempt to improve something or the other which does not naturally grow and mould itself without uprooting itself, conflict inevitably arises.

—JAWAHARLAL NEHRU, *An Address at the Indian Council for Cultural Relations*, New Delhi, April 1950.

## **Monitoring Systems—Concept, Need and Applicability**

**P.S. Sangwan**

**I**N THIS era of fast changing production technology, optimal levels of production are attainable only by increasing the operational efficiency, considered to be an essential tool with implementors, to maximise the profits from the use of available scarce resources of man, material and finance, which are often in short supply in the developing countries. The likely poor performance thus can be circumvented by due application of these newer and appropriate management techniques through a suitable 'systems approach', and to operationalise the concept of such management tools for useful application in production, the need for timely Monitoring Controls is a *sine qua non*. These management techniques which are to be applied for optimisation, in turn, further heavily depend upon the systematic, methodical, logical and rational approaches, which again are dependent upon a careful, detailed, and analytical dissection of the implementation problem, leaving thereby hardly any scope for a hunch or an ambiguous/uncertain conclusion.

Projects of national importance are crucial to the process of economic development of a country so that the fruits percolate to the poorer strata of the society. It is considered desirable to impart a 'project approach' to such activities of economic development so as to achieve the targeted results of the projected programmes within the allowable time frame and for better performance during implementation. It would, therefore, be useful to projectise a developmental activity, for which a familiarity to the 'project cycle' is a pre-requisite. An epitome of various stages of a project is :

- (a) Project Identification and Design—may be conceived on criteria like economic, technical, social, political, cultural, institutional, local, regional, geographical, etc., whereas, the project preparation may be based upon derived ideas/results, concepts, investigation, feasibility, etc.
- (b) Appraisal, Monitoring and Concurrent Evaluation—are based on data collection/compilation, collation, analysis and comparison with set criteria.
- (c) Implementation and Ex-post Evaluation—is normally concerned

with the availability of the necessary infrastructural and establishment facilities and maintenance and regulation of inputs and the scenario obtainable after the project is completed, showing the shortages/surpluses and impact, etc.

### CONCEPT OF MONITORING CONTROL

It would be clear from the above summary that monitoring and evaluation in a project cycle is a very vital link whether the project belongs to an organised sector like industry and construction, or to an unorganised sector like agriculture, rural development, etc.

The gap between the contemplated plan targets and the actual performance during implementation may be assignable to three broad reasons :

- (i) Lack of application of appropriate technical, administrative and managerial concepts and capabilities,
- (ii) Improper data-base and information system, and
- (iii) Inadequacy of inter-linkages between projects and sectors as also lack of an effective systems approach in monitoring, evaluation and feedback.

The inter-linkage of projects should normally be examined closely at the time they are approved and thereafter be continuously monitored to ensure that the projects are implemented in step with each other. Monitoring involves watching the progress against the given trajectory of time and resources schedule, during the project implementation stage, through periodic reports and identifying the shortfalls and lagging areas; concurrent evaluation, on the other hand, involves the assessment of the performance, as highlighted by the monitoring process, and making judgements regarding the progress of the project and the corrective action to be taken. For better planning of projects, projections of fund requirements for annual/five year plans and to provide a scientific base for monitoring and evaluation, the systems of resource-based networks (using PERT/CPM techniques) have been introduced in most developing and developed countries in organised sectors like the industrial, manufacturing, construction, etc., which, however, could as well be extended to sectoral projects/schemes in other sectors like irrigation, agriculture, rural development, etc.

Thus it is interpreted that the task of monitoring is like a 'watch dog' function of keeping a constant watch on any operation and to give a warning signal the moment anything unexpected happens or the path of progress deviates from its normal expected course in respect of the laid down policy, operational steps, resource schedule and targets/aims so as to enable the concerned executive authorities to take corrective measures (monitoring simply points out the deviations on reading the situation). Thus, one has to

observe closely by following the proceedings to measure the progress and to compare the same with the original action plan, to evaluate periodic results for conformity, deviation, correctness, etc., before reaching the stage of signalling. In a way, monitoring also provides for a needed feedback.

The application of the monitoring system to a particular developmental programme, subsector or sector, has to follow:

- (i) availability of a plan of action or operational path; (pre-determined trajectory),
- (ii) continuous or periodical information on actual performance,
- (iii) comparison of actual performance with the planned course of action,
- (iv) identification of deviations in programme implementation, if any,
- (v) analysis of deviation with respect to the set course of action,
- (vi) giving timely signal as to the extent of deviation to the project implementing authorities,
- (vii) identifying alternative course(s) of corrective measures and to evaluate them in terms of time, skill, labour and resources at command, and
- (viii) suggesting of corrective action (or set of actions) to bring back along the set path of the operation of the project.

At all these stages of monitoring, the incoming information or the field data has to be processed for drawing needful inference while comparing the actual performance with the planned course of action and to bring out the magnitude of the deviations. A good amount of progress data and information on targets have also to be stored for future use (data bank). The design of the storage and retrieval system relating to data bank would further involve :

- (i) identification of item(s) on which data/information is to be collected and stored for future use and the duration of data storage needed,
- (ii) extent of fresh data/information required to be added to the already stored data to replace/substitute/supplant or supplement the existing/old information,
- (iii) evolving proper system of classification/codification of developmental schemes/programmes and projects on subsectoral and sectoral basis of the schemes implemented by the State, Central governments, or by the States as centrally sponsored schemes on sharing of finance by both.
- (iv) preparation, maintenance of data files, cards, etc.
- (v) sifting and processing of field data (systems approach).
- (vi) Procedure(s) of appropriate storage and retrieval relating to data bank.

#### NEED FOR MONITORING

Due to the almost non-existence of a dependable monitoring system in agriculture, rural and allied sectors, reliable and upto date information has often not been available to help policy planners at the central level and detailed/micro level project formulation and mid-crop or periodic review at the ministerial, state and field levels. There could be some reasons for this state of affairs because the developmental activities in these sectors may belong to specific categories of schemes which are planned/implemented in various countries, such as we have three such distinct categories in India, *viz.*:

- (i) Like India, in most of the developing countries of the third world the developmental aspect of agriculture, rural and allied sectors normally falls within the jurisdiction of state/provincial/local governments rather than the central/federal authorities, in other words, the programmes of these subsectors as per their constitutional obligations belong to the state sector (state sector schemes). Because this provides for an autonomy to the local government (states/provinces) to conceive of the developmental plans of the type which suits them the most and accordingly the provision of matching outlays is also reflected in the state budgets within the overall funds provided to them. Such projects, in most cases, if not all, are being implemented by the concerned state machinery existing at project/field, block, district, division and state levels with the help of the available resources of man, material, finance and infrastructural facilities.
- (ii) The other type of scheme may be purely of central/federal nature wherein national interest at large is involved like basic and applied research on crops/plantation, animal sciences, river valley projects/catchments and so on. The needed resources of technical manpower, equipment/laboratory/farm, etc., as also the finance are normally provided for by the central/federal government since such schemes are central sector schemes. These may include new schemes of pilot study nature as well.
- (iii) In addition to these two types of state and central sector schemes, there could be another third category of the schemes as in India, called the 'centrally sponsored schemes' (CSS sector) wherein funds are provided on the sharing basis (usually 50:50 or 75:25 or any other ratio in accordance with the importance/nature of such schemes, between central and state governments respectively). The developmental projects of this category are usually implemented by the State concerned, like pulses and oilseeds development in India, in view of their shortages at the national level resulting in higher market prices to the consumers, especially the rural poor. These schemes

normally benefit more than one State at a time or may carry an objective of national level importance.

The monitoring of second and third categories, i.e., central and centrally sponsored schemes, is somewhat easy and manageable. Because, in most of the CSS there is an in-built mechanism of monitoring and all the way the project director is chargeable to the central government. This way, periodic progress report from the field/project level furnishes information of concurrent evaluation or, alternatively, it could be had by contacting the project directors as and when need be. Likewise, in the CSS there is a possibility too of gathering the needed progress data through the monitoring component of the project or else with the help of the central coordinator, who remains in touch with the field administrators of the programme in various States. In most cases, financial expenditure is monitored on a monthly basis and this is reported back for securing releases of the central share. In respect of physical progress, a quarterly report containing both progress data and narrative report on problems/prospects and constraints faced during implementation also reaches the central/federal government though with a time lag of a month or two after the end of a particular quarter of the year, like the report for the quarter ending 30th June reaching by the end of July/August, and so on.

The most ticklish problem is of monitoring the progress of the State sector programmes which are implemented and monitored by the State machinery of the concerned State/province. Besides other reasons, apparently two specific difficulties here are :

- (a) Lack of monitoring skill and appropriate monitoring machinery in the State hierarchy from field to State headquarters, and
- (b) Lack of timely collection/compilation of field data to draw useful inferences for policy planning.

As stated elsewhere, apart from other considerations, this may as well be due to the fact that as per the National Constitution agriculture in most cases is a State/provincial subject. A big chunk of developmental activities is, therefore, undertaken by them in their respective State sector, for which reporting periodic progress is quite dismal. Moreover most of the developmental programmes are implemented just as a prolongation of the past without projectising them with an inbuilt monitoring component. This is a big handicap, because, in the absence of appropriate data to back up, no effective mid crop-year appraisal seems possible except a probable proximation of progress of the various programmes. However, effective monitoring cannot precisely be based on various crop production estimates emanating periodically as in India, from the Central Directorate of Economics and Statistics in India. In practice it has been seen in India that even the nodal

departments like the central department of agriculture have more or less to depend upon the seasonal data of physical performance being collected at the time of the annual plan discussion with the various States/Union Territories.

The nodal point for collection of basic field data in respect of central, CSS (centrally sponsored schemes) and the state sector programmes is the concerned division or the department in the central ministry. But it has been observed that as of today for such an important sector of agriculture, only a truncated form of quarterly progress reporting (not essentially monitoring) exists, and that too in respect of only a few organised programmes like the CAD (command area development), soil conservation in RVP (river valley projects) and a few other important centrally sponsored schemes of development. There is considerable variation in the degree of regularity, timeliness, reliability and adequacy of the data reported.

Hence, to be in line with modern management system, it would be desirable to impart a project approach to as many agricultural development programmes as possible with an in-built provision of the monitoring component, such as the one already existing (in India) in the special programmes of the Ministry of Rural Reconstruction (department of rural development) for developmental activities under the IRD (integrated rural development), DPAP (drought prone area programme), SFDA (small farmers development), FWP (food for work), NREP (national rural employment programme), etc. The field data from the field and project levels normally flows down to the central nodal point quite regularly and uninterruptedly. The other requisite is to have a strong centralised monitoring wing attached to the central department/ministry like the existing administrative intelligence unit in the department of rural development in India which is headed by a very senior officer for purposes of having a better equation with state/central administrators of field programmes.

In the interest of objectivity, the subject matter of monitoring and evaluation has to be treated both as a staff responsibility as well as a part of the line executive's function. It would, therefore, be desirable to create a separate cell to perform this specialised watch dog role and to constantly feed the executive and the planning agencies with alert signals on deviation from the set path for suitable alternative/corrective measures or for the mounting of a special contingency plan.

The system of monitoring has been placed on a proper footing by the Government of India in the Planning Commission by creating monitoring cells in various subject matter divisions, like the one combined monitoring cell for agriculture, rural development and minor irrigation with the following functions :

- (i) To monitor the on-going five-year plan and non-plan projects/programmes and other developmental activities/schemes in the sphere

- of agriculture, rural development, and allied sectors.
- (ii) To create a data bank in respect of basic resource data, factual data (data bank) on various schemes of national importance.
  - (iii) To issue guidelines for project formulation in the central, state and centrally sponsored sectors and thereafter to scrutinise important schemes for annual/five year plan discussions.
  - (iv) Preparation of monitoring reports, evaluation reviews and analytical studies and notes on on-going projects for policy planning, strategy, priority and mid-course correction, including the mounting of contingency plans, if need be. This also includes analytical studies relevant to vital issues of agricultural production planning, monitoring of schemes/projects/programmes, input-output growth models and preparation of projections for demand/supply/distribution of agricultural commodities and inputs.
  - (v) To prepare a quarterly status report on periodic progress and problems of ongoing projects of agriculture and allied sectors which may be in the form of full reporting on the basis of detailed data or it may even be an epitome of the facts and figures for 'exceptional reporting' to indicate the extent of deviation from the set targets or goals (predetermined trajectory) of any project in these sectors.

The basic monitoring of developmental programmes/schemes has, however, to be done by the substantive programme units/subject matter specialists (SMS) dealing with these programmes, whereas the monitoring unit has to derive the needed information through these units or SMS, as its main function is of a centralised data bank. More important, the unit's function is to analyse and interpret the trends and observations on the ongoing programmes as a whole or in various segments which interact on each other from the vantage point of totality and also for policy analysis and formulation. It will also help the experts in making further comprehensive and indepth analysis of various trends in programmes of agriculture/rural development sectors because of their inter-dependence and linkages. Thus, the unit is expected to function as a data bank for agriculture, rural development and minor irrigation sectors by having all possible basic information relating to sectoral programmes of these sectors at a central point for easy retrieval. For creation of data bank, efforts are made to prepare a codification plan (classification-subjectwise) of plan and non-plan schemes of central, centrally sponsored and state categories in these sectors of agriculture, minor irrigation and rural development. The classification is based on performance budgeting plan.

#### APPLICABILITY OF MONITORING SYSTEMS

Application of Monitoring Systems to agricultural, rural and allied sectors

for measuring the progress/performance periodically against the laid down physical and financial targets of each sectoral programme appears possible in respect of the following developmental activities :

### I. AGRICULTURE SECTOR

Sub-sector	Programme	Nature of monitoring required (separately for Central CSS/State Schemes)	
		Achievements	
		Financial	Physical
(1)	(2)	(3)	(4)
1. Crop Production	1. Wheat-total production —spread of HYVP	Q, HY, Y M, Q, HY, Y	Q, HY, Y Q, HY, Y
	2. Paddy-total production —spread of HYVP	Q, HY, Y M, Q, HY, Y	Q, HY, Y Q, HY, Y
	3. Millets and coarse grains —total cropwise —spread of HYVP	Q, HY, Y M, Q, HY, Y	Q, HY, Y Q, HY, Y
	4. Pulses —total cropwise —spread of HYVP (specify)	M, Q, HY, Y M, Q, HY, Y	M, Q, HY, Y M, Q, HY, Y
	5. Oilseeds —total cropwise —spread of HYVP (specify)	M, Q, HY, Y M, Q, HY, Y	M, Q, HY, Y M, Q, HY, Y
	6. Cotton —total production —special schemes	Q, HY, Y M, Q, HY, Y	Q, HY, Y Q, HY, Y
	7. Sugarcane-total production	Q, HY, Y	Q, HY, Y
	8. Other commercial crops (specify)	Q, HY, Y	Q, HY, Y
	9. Plantations —tea —coffee —rubber —cotton/arecanut	Q, HY, Y " " "	Q, HY, Y " " "
	10. Species —Cardamom —Others (specify)	" "	" "
	11. Fruits (seasonal/perennial)	"	"
	12. Vegetables	M, Q, HY, Y	M, Q, HY, Y

(1)	(2)	(3)	(4)
2. Inputs			
1. Fertilisers (NPK) Application			
—area covered (total & cropwise)	—	”	”
—subsidy allowed	M,Q,HY,Y	—	”
Soil testing-samples analysed	”	”	”
2. Organic manures			
—production total	Q,HY,Y	Q,HY,Y	
—compost plants	”	”	
—area covered	—	—	
—bio fertilisers (area covered)	”	”	”
3. Quality Seeds			
—production (cost/subsidy/ quantity)	”	”	
—area covered (cropwise)	”	”	
4. Plant Protection			
—tech. material distributed	M,Q,HY,Y	M,Q,HY,Y	
—subsidy allowed	M,Q,HY,Y	”	”
—area covered	”	”	
3. Other Production Programme	Implements/mechanisation (specify)	Q,HY,Y	Q,HY,Y
1. Soil conservation			
—total area covered	”	”	”
—subsidy allowed	M,Q,HY,Y	”	”
—RVP programmes	”	”	
2. Irrigation spread			
—minor/further spread	Q,HY,Y	Q,HY,Y	
—major/medium further spread	—	HY,Y	
—command area development	M,Q,HY,Y	Q,HY,Y	
3. Agro-meteorological information (specify)	”	”	
4. Extension training and infrastructural facilities	Training courses conducted		
	—farmers	Q,HY,Y	Q,HY,Y
	—in service personnel	”	”
	—others (specify)	”	”
	infrastructural facilities (specify)	”	”
5. Dairying	Milk production (operation flood)		
	—total production	M,Q,HY,Y	M,Q,HY,Y
	—capacity further created	”	”

(1)	(2)	(3)	(4)
	—existing chillings plants —milk coop. formed —subsidy allowed	M,Q,HY,Y " "	M,Q,HY,Y " "
6. Animal Husbandry	Production of products —meat —hides/skins/furs —poultry, eggs produced —poultry birds added — A.I.S. performed (specify species) ...subsidy allowed	M,Q,HY,Y " " " " " "	M,Q,HY,Y " " " " " "
7. Fisheries	Marine and Estuarine —total production —mechanised boats/trawlers added inland —total production —seed distribution —subsidy allowed	" " " " " "	" " " " " "
8. Forestry & Pastures	Pastures-area extended Social forestry area-extended (plantations) —seed distributed —subsidy allowed	Q,HY,Y " " " "	Q,HY,Y " " " "
	Commercial Forestry —area extended (plantations)	Q,HY,Y	Q,HY,Y
<b>II. RURAL DEVELOPMENT</b>			
Rural Development	Integrated Rural Dev. (IRD) Drought Prone Area Prog. (DPAP) Desert Dev. Prog. (DDP) Small Farmers Dev. Prog. (SFDP) Food for Work (FWP) National Rural Employ. Prog. (NREP)	M,Q,HY,Y " " " " " "	Q,HY,Y " " " " " "
Food	Storage capacity created —capacity CWC —capacity SWC —others (specify)	M,Q,HY,Y " " "	Q,HY,Y " " "
	Procurement —FCI —Others (specify)	" " "	" " "
Agric. Credit & Cooperation	Credit disbursement —total short term (a) crop sector	" " "	" " "

(1)	(2)	(3)	(4)
	(b) A.H./dairying	M,Q,HY,Y	Q,HY,Y
	(c) fisheries	"	"
	—total medium/long	"	"
	(a) crop sector	"	"
	(b) forestry sector	"	"
	(c) AH/Dairying	"	"
	(d) fisheries	"	"
	(e) plantations	"	"
	Credit recoveries		
	—short term	"	"
	—medium/long	"	"
	—coop.	"	"
	—No. of Coop. formed	"	"
	—membership increased	"	"

CODE :	M—Monthly	CWC—Central Warehousing Corporation
	Q—Quarterly	SWC—State Warehousing Corporation
	HY—Half Yearly	RVP—River Valley Projects
	Y—Yearly	A.I.—Artificial Insemination
	HYVP—High Yielding Varieties Prog.	FCI—Food Corporation of India.
	A.H.—Animal Husbandry	

In addition to the above listed items, there are others and subsectors which are also amenable to monitoring, such as the central sector schemes pertaining to agricultural research, education, extension, training, etc., wherein effective monitoring with the same periodicity is possible. In these long term gain programmes, the long term objectives have to be linked with proximate short term goals and the progress should be monitored based on the latter.

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### Education and Poverty

The role of human development in alleviating poverty has been debated for several hundred years. In Europe in the 16th to 18th centuries, there was a vigorous dispute between those who believed that education would make the poor more productive and better citizens, and those who believed that it would make them challenge the established order. (With hindsight, both were clearly right.) Political as much as economic considerations impelled the United States and Japan toward universal primary education in the 19th century.

—World Development Report, 1980,  
The World Bank, Washington.

## New Perspectives on Forestry Development

R.L. Chowdhary

THE PROPULSIVE nature of the forestry sector, capable of inducing growth and development of related sectors in the economy, has come to be realised, only after the introduction of national development plans, since 1951. Although several estimates of forest commodity and service requirements have been made in the past [Ministry of Food and Agriculture 1958, Von Mon Roy 1960, Vankatrammany 1962, Gregory 1971, National Commission on Agriculture (henceforth called NCA) 1972, 1973, 1976, Planning Commission 1973, etc.], these do not appear to have been used to any significant extent in forestry planning so far. It appears that the investments in the forestry sector, which have varied from 0.4 per cent to 6 per cent of the total outlay in public sector, in each of the national development plans, have been made on the basis of some rule of thumb! (Nautiyal and Chowdhary 1979).

Even after more than three decades of planning, the shortages of almost all forestry goods and services persist and investments so far have failed to make any significant difference in augmenting the supply of these goods and services.

The NCA (1972, 1973, 1976) has proposed the development strategy of protection forestry, social forestry, and production forestry, to pull the sector out of the "morass of slow growth and stagnation". However, neither the social and economic implications of these proposals have been examined in depth by NCA, nor has the social action needed to achieve the objectives of these proposals been elaborated. The present article focuses attention on some of these measures, which are urgently needed for the proper implementation of these programmes.

For the facility of exposition, the first part of the paper brings out the social worth of forestry resources in the national context. The institutional, social, economic and technological constraints, which impinge on forest productivity, have been pinpointed in the next part. The development under the successive national plans and the social and economic implications of the new development proposals of protection, social and production forestry of NCA has been discussed in the third part. Finally, the comparatively neglected area of social action, needed to implement the NCA (1972, 1973, 1976) proposals, has been highlighted in the last part of the paper.

## SOCIAL WORTH OF FORESTRY RESOURCES

*Land Use Pattern*

Schumacher (1977) has traced a link between the land use pattern of a nation and the "state of development of society and so also its future". A grim picture of our state of development and future can be drawn from an analysis of data presented in Table 1. No accurate data of land use exist for about 6.34 per cent of our land area (item 7). Nearly 20.11 per cent of the land is either barren and uncultivable or fallow lands [items 2(ii), 3(iii) and 4] and does not contribute substantially to the production of agricultural or forestry goods, which are in an acute short supply. Even the land designated as permanent pastures and land under miscellaneous tree crops and grasses [item 3(i) and 3(ii)], comprising of 6.30 per cent of our land resources, are being excessively exploited for firewood and timber and large tracts of land under this category have been laid bare and unproductive. Thus a society, which fails to put as much as 105.9 million ha. or 32 per cent of its land resources to socially optimum use, can scarcely lay claims to a "high state of development and bright future".

The extent of forest areas, as given by Das (1976) is 65.7 million ha. whereas the Ministry of Agriculture (1978) estimates these areas as 75 million ha. Similarly, the extent of barren and unculturable areas as given by the Ministry (1978) is 42.7 million ha., as against 29.9 million ha., as stated by Das (1976). The discrepancy in land areas under both the above categories as given by the Ministry (1978) and Das (1976) works out to 22.1 million ha. which is precisely the areas under item 7, for which Das (1976) claims that no figures are available. Hence, for further discussions, estimates of forest area and barren and unculturable land as given by the Ministry (1978) are taken as correct.

Of the 75 million ha. of forest areas, nearly 49 per cent comprises of protected forests and which are riddled with rights and privileges of people for extraction of firewood, timber, minor forest products, grazing, etc. With the rapid increase in population and shrinking forest resources (Bhochen 1947 to 1976, nearly 4.15 million ha. of forest areas have been clear-felled for extension of agriculture, setting up of industries, submergence of forests under numerous river valley projects, etc.), a large portion of forest area is rapidly getting denude due to excessive use, with consequent loss of productivity. Further, it is estimated by NCA(1976) that about 5.14 million ha. of forest area are under shifting cultivation and the capacity of these lands for production of forestry goods and services is severely limited. The National Forest Policy of 1952 lays down that for adequate availability of forestry goods and services, one third of the land area must be under forestry use; whereas, as estimated by the Central Forestry Commission (1976), barely 42.7 million ha. of forests, as against the required 109 million ha., are under actual use !

TABLE 1 DISTRIBUTION OF AREAS UNDER DIFFERENT LAND USE IN INDIA  
(1972-73)

Sl. No.	Classification	Area in million ha.		Percentage of total area	
		Break up	Total	Break up	Total
1.	Area under forest . . . . .	..	65.7*	..	20.02
2.	Area not available for cultivation . . .	46.4	..	..	14.10
	(i) Area under non-agriculture uses . .	16.5	..	5.03	..
	(ii) Barren and uncultivable areas . .	29.9*	..	9.07	..
3.	Other uncultivable land including fallow land . . . . .	33.3	..	..	10.11
	(i) Permanent pastures and grazing land .	13.1	..	3.97	..
	(ii) Land under miscellaneous tree crops & groves not included in pasture areas .	4.4	..	1.33	..
	(iii) Cultivable waste . . . . .	15.8	..	4.81	..
4.	Fallow land . . . . .	20.6	..	..	6.23
	(i) Fallow land other than current fallows .	8.2	..	2.47	..
	(ii) Current fallows . . . . .	12.4	..	3.76	..
5.	Net area sown . . . . .	140.2	..	..	45.20
6.	Total reporting area . . . . .	306.2	..	..	93.66
7.	Area for which no returns exist . . . . .	22.1*	..	..	6.34
8.	Total geographical area . . . . .	328.3	..	..	..

SOURCE: Das (1976).

\*Please see the text for discrepancy between these and the statistics given by the Ministry of Agriculture and Irrigation (1978).

Forestry resources, in the words of Seth (1976), "include the whole biogeocenose, comprising of human and other forms of sentient life, land, water, flora, etc., and it is the job of foresters to manage these resources in such a manner, so as to optimise the contribution of each of these elements to a healthy and productive environment and in a time frame, extending beyond one's individual life span". The role of forests in maintaining the quality and quantity of water climate amelioration, providing bioaesthetic services like forest based recreation, wild life, etc., are too well known to be discussed in detail here. Together with products like firewood, timber, bamboo, grass and other minor forest products, the forests meet several physical and metaphysical needs of the society. The NCA (1976) has estimated that in 1970, the government-owned forests produced, among other goods, and services, 13 million cu.m. of firewood (nearly 6 per cent of the estimated consumption for the year) and 9.3 million cu.m. of timber and other industrial wood (amounting to 56 per cent of the estimated consumption for the year). The fact that a large portion of the society's demand for these goods has not been met in that year, does not augur well for the continued survival of forests against the depredations, caused through illicit removal of forest products.

Numerous writers (Seth 1973, Mohanty 1973, Singh 1973, Chatterjee 1976, NCA 1976, Pant 1977, Nautiyal and Chowdhary 1979, etc.) have highlighted the contribution of the forestry sector to the national economy and have brought out that a single fact like the contribution to national income (which has varied from 1.3 to 1.4 per cent in case of the forestry sector) cannot reveal the true stature of the sector. Apart from the inherent limitations of this data and the absence of accurate price and output figures from the forestry sector, a large portion of forestry output is intangible goods and services and no market measures are available for estimating the value of these products, e.g., forest based recreation, wild life, prevention of soil erosion and floods, climate amelioration, etc. It is, therefore, incorrect to base the investments in this sector solely on the consideration of its contribution to the national economy. "The importance of forestry as a half way house between non-industrialised agriculture and machine oriented manufacturing activity, for the type of rural oriented development envisaged by our planners, is considerable, when one takes into account the fact that the job opportunities provided by the forestry sector rose from .002 per cent in 1961 to 1.7 per cent in 1971 in relation to the working force." (Nautiyal and Chowdhary, 1979). Moreover, as a supplement to rural income, Nautiyal and Chowdhary (1979) have further pointed out, "simple planting of trees and shrubs, which can provide firewood for use in forest starved countryside in a couple of years, can result in direct increase of agricultural output by releasing cowdung and by providing soil conservation. Planting of fodder trees, combined with a more scientific management of cattle can result in direct supplement to rural income".

#### CONSTRAINTS ON IMPROVING FOREST PRODUCTIVITY

Forests, for their proper growth and development, require a suitable environment, which ought to be reasonably free from adverse edaphic factors like frost, hail, snow storms, desiccating winds, and biotic interferences like illicit fellings, fires, heavy and excessive grazing, etc., in addition, forests need timely care like pre-and post-harvest, silvicultural operations, planting with desirable woods, enrichment of soil to maintain productivity, etc. The constraints to improving forest productivity arise from numerous causes, which are briefly discussed under the following categories: (i) Institutional constraints, (ii) social constraints, (iii) economic constraints, and (iv) technological constraints.

##### *Institutional Constraints*

Among the institutional constraints are protected and unclassified forests, where the introduction of rigid scientific management is difficult due to the continued existence of the rights and privileges of the surrounding population for fodder, fuel, small timber, grazing, etc. The fellings, to meet the

demands of the concession holders, are indiscriminate and often excessive and usually no silvicultural operations follow these fellings. Periodic closure from grazing and exercise of rights and privileges, which is so very necessary for forest proper growth and development, is usually absent and forest fires are frequent. The sum of all these maltreatments, is poor growth, absence of regeneration and deterioration in site quality. Lack of physical and financial resources preclude the possibility of checking these destructive forces by devices such as fencing, application of manure, irrigation, Silvicultural tendings, etc., and reduction of such forests to valueless scrubs is only a matter of time.

### *Social Constraints*

Among the social constraints, are some age old practices like uncontrolled and excessive grazing, setting of forests on fire for : (a) gathering of edible fruits, (b) corner by and catching wild animals, and (c) getting a new flush of fodder grass. All these practices cause immense damage to forest flora and severely impair the productivity of forest lands. The practice of stall feeding of cattle, usually common in western countries, has not gained much currency here. On account of a large animal population, the damage and destruction done to young forest crop and seedlings is indeed colossal.

Instances of illicit removal of firewood (and occasionally timber) are on the increase, particularly in densely populated localities adjoining the forest areas, and where the prices of timber and other forest products are very high. This pernicious practice has grown out of the rights and concessions, traditionally enjoyed by villagers, from adjoining forest areas, for meeting their domestic needs; but has now largely degenerated into a nefarious trade. So serious is this menace round big towns and villages that the forestry resources around these places have been reduced to mere scrub forests. On account of the existence of statutory rights and privileges, prosecution in such cases is often difficult and this is further compounded by the fact that eye witnesses and collateral evidence, needed to establish the crime in a court of law, are often difficult to secure.

A third and equally serious constraint on forest productivity is the problem of encroachment and shifting cultivation. Although no precise estimate of forest lands under encroachment is available, it is estimated that about 5.4 million ha. of forest land is under shifting cultivation (National Commission on Agriculture, 1976). More often than not, the offenders are prosecuted in a court of law, but they escape with minor fines or imprisonment or both and continue to unauthorisedly cultivate the lands. Very often, the old encroached areas are regularised by the government and are excised from forests and handed over to these very offenders on production of court fine receipts or other proof of continued encroachments. Such a step results in a further fresh wave of encroachments and the cycle goes on.

The most serious, however, is excision of forest lands for non-forestry

uses. While such transfers, particularly for river valley projects, canals, roads, railways, etc., are necessary to meet the national development needs, transfer of lands for agriculture, setting up of industries, etc., needs some fresh thinking. Transfer for agricultural use alone accounts for nearly 71 per cent of 4.15 million ha. transferred since independence up to 1976 (Ministry of Agriculture, 1978, Sharma, 1977). These could have been easily carved out from nearly 15.8 million ha. of lands under the category of cultivable waste [Table 1, Item 3(iii)].

#### *Economic Constraints*

At a given level technology, the output in a production process is directly related to the quality and quantity of inputs, and forestry production processes are no exception. Prior to independence, the concern of foresters was usually with preservation and perpetuation of forests and, since the extent of demand was low in relation to the available resources, such a management policy posed no serious problem to administration. However, after independence and with the advent of national development plans, the potentiality of the forestry sector, as an interdependent sector of the economy and capable of inducing growth and development in other sectors, has come to be realised. Conscious efforts are now being made by planners to develop the programme of man made forests, for augmenting the supplies of industrial and other general utility woods, and investments are envisaged for the development of the necessary infrastructure for quickening the pace of production. The total outlay on forestry schemes, during the past five development plans has varied between 0.4 per cent to 0.6 per cent of the total outlay on public sector investments; but unfortunately these investments have not been sufficient for a proper development of the sector. For example, Thapar (1977) has estimated that an outlay of nearly Rs. 1,000 crores is needed for afforestation of barren and denuded forest areas; whereas the total investment under this scheme for the period 1951 to 1974 has been a mere Rs. 11.48 crores !

To cite another example, the National Commission on Agriculture (1976) has estimated that to achieve a target road density of 0.75 km/sq by the year 2000 (for further development and better utilisation of existing forest resources), additional roads of 215,000 km are necessary (*i.e.*, at the rate of about 9,000 km per year up to 2000 AD). As against this, the fifth plan had a target of only 15,000 km (*i.e.*, 3,000 km of roads a year).

It would thus be obvious that the level of investment in forestry needs to be considerably stepped up if its contribution to the national economy has to be optimised.

#### *Technological Constraints*

Seth, Kaul and Sharma (1977) have estimated that the potential productivity of Indian forests under ideal management is nearly 429.07 million cu.m.

annually, whereas the actual production for 1975-76 was barely 26.560 million cu.m. ! The potential productivity has been calculated on the basis of Paterson's CVP Index (Paterson, 1956) which estimates the production of wood on the basis of a mathematical formulation, taking in to consideration factors like : (i) mean annual range of temperature between the coldest and the warmest months, (ii) mean temperature of the warmest months, (iii) mean annual precipitation, (iv) length of growing season, and (v) evapo-transpiration. While there are obvious limitations in such a measure of productivity, the fact still remains that there is a staggering gap between ideal management norms of production and actual production. The production technology has to be reviewed afresh to bring about some semblance of correspondence between the ideal and actual norms of production. The development strategies given by the NCA (1972, 1973 and 1976) to force the pace of production therefore deserve a critical analysis, both as regards to its technical feasibility and its social and economic implications.

#### FORESTRY DEVELOPMENT UNDER THE FIVE YEAR PLANS

The main thrust of these development activities has been towards:

- (a) rehabilitation of degraded forests through soil conservation and afforestation;
- (b) raising of plantations of species of industrial and economic importance; and
- (c) improvement of communications for better utilisation of resources.

The physical and financial achievements of some of the important State schemes and centrally sponsored schemes are given in Table 2.

It would be seen that the outlay on forestry schemes has generally varied from 3 per cent to 4 per cent of outlay on the agriculture sector. Although the physical magnitude of these investments in forestry under different plans has been considerably stepped up, in relation to the total plan outlay, this has generally varied between 0.4 per cent to 0.6 per cent.

A major drawback in the formulation of physical targets for the various schemes has been the identification of the production targets for plantations and other schemes without any reference to the land and other resources that would be necessary to achieve these targets. Two examples of these shortcomings have already been cited earlier in this article. Many more would become apparent on an analysis of data presented in the next part. The NCA (1976) has done good service in the identification of these pitfalls in earlier planning and have come forth with some radical proposals which would enable the sector to make a definite headway in meeting people's demand for forestry goods and services.

*The NCA Proposals and New Development Strategy*

The new technology now proposed by NCA, comprises of identification of three types of forest areas, each with a different set of development strategy and production goals. These areas are proposed to be designated as: (i) Protection forests, (ii) Social forests, and (iii) Production forests.

The programme of protection forestry is important from the standpoint of maintaining the 'quality of environment'. The almost annual recurrence of heavy floods and consequent loss of crores of rupees worth of property, human lives and damage and destruction to cattle wealth, forests, etc., is quite common and can be directly attributed to unscientific practices of cultivation, mining, road-making, building, etc., on steep and hilly areas, which are bereft of the vegetation cover. Thousands of acre feet of fertile top soil is washed away every year, thus silting our reservoirs, canals, dams and irrigation channels and impairing the productivity of our soils. The undertaking of soil conservation and afforestation measures in the upper catchment areas of our major river systems would arrest the processes of damage and destruction of fragile habitats and on which depends the productivity of the plains below.

TABLE 2

Plan period	Physical achievements of selected schemes (areas in '000 ha)					Financial outlays (Rs. in crores)			
	Plantations of quick growing species	Economic plantations for industrial & commercial uses	Farm forestry cum fuel wood	Rehabilitation of degraded forests	Community muni- cations	Total ('000 km.)	Per cent to agricultural sector	Per cent to total outlays	
1951-56	.	Nil	39.96	Nil	15.13	4.76	8.5	4.3	0.43
1956-61	.	Nil	163.95	Nil	147.21	16.14	21.2	8.3	0.45
1961-66	.	86.64	236.41	33.32	226.99	16.59	45.9	6.8	0.54
1966-69 (annual plans)		166.98	156.41	39.52	88.29	4.67	40.9	4.2	0.61
1969-74	.	232.80	291.20	63.00	127.30	8.70	94.0	3.6	1.32
1974-79 (Target)	.	350.00	760.00	180.00	Not fixed	15.00	214.1	2.5	0.56

SOURCE : Ministry of Food and Agriculture, 1978.

An added dimension to protection forestry programmes is its in-built provision of suitable habitat for wild life and bioaesthetic management of

forests; and both are important from the tourism point of view. Ways and means will have to be found for a massive infusion of investment into this programme, the major component of which is the intangible benefit to society at large. The programmes may not get the desired start, as the planners and administrators generally follow the tradition of social cost-benefit analysis and other conventional economic measures to judge the efficiency of investment.

Social forests would comprise of all the marginal lands unsuited for agriculture, like village wastelands, areas prone to erosion hazards, arid and semi-arid areas, surplus areas along road sides, canal banks, railways, bunds and strips around agricultural fields, etc. On the lands under the ownership of gram panchayats and other government waste lands, the forest department of the respective States would raise plantations of fuel-wood, fodder, fruits and other utility woods. The villagers would also be encouraged to raise plantations of fuel, fodder, fruits and general utility woods on their own unutilised fields. For this purpose, supply of seedlings, technology for planting, after care and harvesting, etc., would be made available by the forest departments of the respective States, either free of cost, or at very nominal rates.

In addition, it has also been envisaged in these proposals that the Central Government would reimburse the respective State Government to the extent of Rs. 500 per ha. for plantations raised on government and community lands and Rs. 250 per ha. on private lands. The adjoining villagers would also receive forest produce from the plantations raised on government and community lands at nominal rates, so that they have an adequate motivation for tending and after care of these plantations.

These proposals may well turn out to be the harbingers of an era of property for the farmers; for in addition to increased supply of fuelwood, fodder, small timber, etc., large quantities of cowdung would be released for use as manure (instead of fuel) and the ameliorative effects of these plantations on soil, water and climate would result in increased agricultural productivity. Together with scientific management of cattle and use of appropriate technology for agriculture, the rural development process would be faster than what it has been hitherto.

The production forestry programme seeks to boost the production of industrial woods and of which hardly of the annual estimated requirements of wood based industries is available from the government forests. Detailed statistics of industrial woods grown over private lands are not available, but it is estimated that a small part of the balance requirements of wood based industries are presently met from such lands [item 3(ii) in Table 1].

In this programme, forest areas with good growth potential, but currently supporting inferior tree species, are sought to be developed by raising plantations of industrial woods and through concentrated applications of inputs like use of genetically improved tree seeds, fertilisers, irrigation, etc. At

the level of industrial wood requirements for the year 2000, the NCA (1976) has estimated that an area of nearly 48 million ha. out of a total 75 million ha. of government owned forests, may have to be earmarked for this programme. Further, since the government budgetary allocations may not be adequate to meet all investment needs of this programme, recourse to institutional finance through borrowing from commercial banks and Agriculture Refinance Corporation will have to be taken. The programme is proposed to be organised and implemented on sound commercial principles, through the agency of forest development corporations, which have now been formed in almost all the States.

#### ACTION NEEDED TO LAUNCH A NEW STRATEGY

##### *Creating a Social Awareness for Forestry Programmes*

As quoted by Swaminathan (1978), George Bernard Shaw once said, "Teaching is too serious a business to be left to teachers alone", thereby implying that parents also have an important role to play in the matter. On a similar analogy, forestry is also too serious a business to be left to foresters alone. The whole community must give the necessary support for the forestry development programmes, and more particularly on the following :

1. Curbing the excessive consumption of forestry goods by voluntary restraints on exercise of the rights and privileges on forests and reducing the vast multitude of uneconomic 'scrub cattle', which cause extensive damage to forest regeneration.
2. Active participation in tree planting programmes over private and community lands and continued cooperation for its tending and protection.
3. Willingness to cooperate in the implementation of new land use policies (proposed below).
4. Individual and group support for resource mobilisation for these programmes.

##### *Formulation of National Land Use Policies*

It is necessary to evolve a general consensus about a national land use policy, in such a manner that each hectare of land is put to its optimum use according to its capability and that it deteriorates the least under a given land use. At present, demand for any additional land, be it for agriculture, or industries or resettlement of refugees, is usually met through diverting land from forestry uses and this has resulted in the gradual shrinking of forest area over successive decades. On the other hand, land under categories 2 (ii), 3 and 4 of Table 1, aggregating to nearly 96.6 million hectares, or 29 per cent of total land area, is not being put to its optimum use and consequently, its contribution to the welfare of the community is little. For the

success of the present programme, it is necessary to divert and utilise most of these lands for forestry, to which all these areas are eminently suited.

On account of the lack of the requisite data, it is difficult to pinpoint the specific locations for each of the three forestry development programmes, referred to earlier. Such details can be worked out, only after a detailed national land use survey and reclassification of lands, based on its capability, is carried out.

However, from the extent of minimum area needed for each of these programmes and a study of the existing land use pattern, some tentative suggestions have been incorporated in Table 3, to reallocate at least a part of 96.6 million ha. of land to forestry and the rest to agriculture use. The reallocation would admit further refinement, as and when more data is collected about the existing lands and its capability.

From Table 3, it would be seen that the total area now proposed under forestry use in the three programmes aggregate to 164.1 million ha., i.e.,

TABLE 3 PROPOSED REALLOCATION OF AREAS TO FORESTRY USES  
(All areas in million ha.)

Sl. No.	Present land use	Total area	Percent of column 3 reallocat- ed to forestry use	Proposed areas in column 4 to forestry Development programmes		
				(5)	(6)	(7)
(1)	(2)	(3)	(4)			
1.	Area under forests	75.0	100	14.4	12.6	48.0
2.	Area not available for cultivation					
	(i) Area under non-agricul- tural use . . .	16.5	10	..	1.7	..
	(ii) Barren and unculturable areas . . .	42.7	100	21.4	21.3	..
3.	Other uncultivable land includ- ing fallow land					
	(i) Permanent pasture and grazing land . . .	13.1	100	..	13.1	..
	(ii) Land under miscellaneous tree crops . . .	4.4	100	..	4.4	..
	(iii) Cultivable waste . .	15.8	50*	..	7.9	..
4.	Fallow land					
	(i) Fallow land other than current fallows . .	8.2	50*	..	4.1	..
	(ii) Current fallows . .	12.4	10*	..	1.2	..
5.	Net sown area . . .	140.2	10*	..	14.0	..

SOURCE : (i) Table 1.

(ii) Text.

\*NOTE: The balance area is proposed to be allocated to agricultural use, bring-  
ing the net sown area equal to 145.4 million ha.

\*

roughly 50 per cent of the total area. Out of this, less than one fourth is proposed to be allocated for use for commercial forestry programmes, whereas about half of it is earmarked for meeting the social needs of the people for forestry goods and services and the rest of the area of approximately 35.8 million ha. is proposed to be solely managed for boaeesthetic reasons and for maintaining the quality of soil, water and climate.

The net sown area would increase from 140.2 million ha. to 145.4 million ha. under these proposals. This excess area of 5.2, million ha., can be utilised for resettlement of tribals, who otherwise cause considerable damage and destruction of forests and soil through practising shifting cultivation.

#### *Resource Mobilisation for New Development Strategy*

The allocation of Rs. 100 crores by the Central Government in 1979-80 for forest development programmes was looked down with scepticism in some quarters (Anonymous, 1978) and the wisdom of such large investments was questioned. This allocation would pale into insignificance when one realises the actual needs of the above three forestry development programmes. On an assumption that Rs. 1,000 per ha. are needed for soil conservation and afforestation works in protection forestry programme, the minimum need of this programme alone would be of the order of Rs. 35,800 crores! If the planning horizon of these programmes is kept at 100 years (equivalent to the rotation of plantations), the annual need of funds for this programme alone would be Rs. 358 crores. Considering the fact that much more damage to human life and property is caused annually through recurrence of floods, this is too small a price to pay for maintaining the quality of life and environment.

The social forestry programme is essentially a programme of the people and a major share of the expenses of this programme will have to be met by the people themselves. Assuming a planning horizon of 25 years (equivalent to the rotation of plantations), the expected extent of annual plantations would be 3.2 million ha. with an annual outlay of Rs. 470 crores at the rate of Rs. 1,500 per ha. for plantation. Assuming that one third of these plantations is raised on private land and the rest on government waste land and fallow land, the subsidy of the Central Government for these plantations on private and government land would be, respectively, Rs. 64 crores and Rs. 160 crores. The rest of the resources will have to come from the State Governments, commercial banking institutions and private individuals. A variety of measures would be necessary for such investments to materialise. For the private individuals, wishing to invest in this programme, adequate incentives in the form of loans on easy terms, subsidies and other technical help must be made available. It is doubtful whether the forest departments will have the necessary resources and personnel to organise this programme over more than 80.3 million ha. of barren, unculturable and fallow waste land, (Table 3), suggested to be covered during the next 25 years. An

autonomous corporation or a development authority, suitably staffed, financed and backed by government and other commercial institutions will have to be created for the execution of these programmes.

The plantation cost for the production forestry programme is estimated to be Rs. 1,500 per ha. Keeping a planning horizon of 50 years (equivalent to the expected rotation of plantations), the annual extent of plantation would be 0.96 million ha. The annual investment needs for this programme would be Rs. 144 crores. The chief beneficiaries of this programme would be the forest based industries and it is logical to expect these industries to be the source of funds for this programme, through levying of additional taxes and rationalisation of the price structure for supply of raw material, so as to cover all the social cost of providing raw material to such industries.

In brief, the total investment needs of protection, social and production forestry programmes is Rs. 35,800 crores, Rs. 11,750 crores and Rs. 7,200 crores respectively. Assuming a planning horizon of respectively 100 years, 25 years and 50 years, the annual outlay for these programmes would be, respectively, Rs. 358 crores, Rs. 470 crores and Rs. 144 crores. If the forestry sector has to make any significant help to meet the enormous social needs of the people for forestry goods and services, a minimum outlay of Rs. 972 crores, annually, is necessary.

#### *Social Action Needed for Protection Forestry Programmes*

Before undertaking any work under the protection forestry programme, a model legislation, on the lines of the already formulated model Soil Conservation Act, (Soil Conservation Board, 1962) is necessary. This draft legislation should be recommended for adoption of the respective State and Central Governments, within their jurisdiction.

It is necessary to organise the work under this programme on 'catchment area' basis and this needs the cooperation of several administrative authorities of districts and States. The proposed work under this programme requires, diverse skills, necessitating cooperation of various departments like agriculture, irrigation, horticulture, fisheries, forests, soil conservation, revenue, tourism, etc. At the micro level, creation of an agency for coordinating the works of different departments would greatly facilitate the progress of work.

An essential need of this programme is the preparation of a master plan at the macro level. Such a plan would envisage a detailed survey of all the areas tentatively estimated at 35 million ha. Plans for soil conservation, afforestation, flood control, irrigation, horticulture, fisheries development, development of wild life habitat and tourist facilities, development of roads and other infrastructure, scientific tillage practices, etc., will have to be drawn on the land capability classification, for each of the major river valley catchments. The master plan would also give broad outlines of the physical targets, financial outlays, technology and other details of work. These

macro plans will then be split into micro plans for implementation by local authorities, who ought to be closely supervised by a central authority.

#### *Social Action Needed for Social Forestry Programmes*

The first and foremost need of this programme is the identification of the locations of nearly 80.3 million ha. of land, tentatively suggested in Table III above. The operations of the 'model soil conservation Act' should be extended to areas under this programme, so that the village waste lands and similar areas under the ownership of the government or village bodies could be brought under the purview of this programme.

The programme aims at meeting the social needs of people for forestry goods and services. The remarks of Singh and Seth (1957) are very pertinent and are quoted here: "The Government has to step in and perform functions which cannot be performed by individuals or community organisation; but at the same time, it needs to be emphasised that the programme has to be essentially of the people, for the people and solely organised, directed and managed by people."

After pinpointing the locations and quantum of goods and services to be produced, the next step is adoption of appropriate technology, e.g., choice, of tree species for planting, after care of plants, and harvesting. Since the planning horizon of this programme is 25 years, only the fast growing tree species, which mature earlier than this period and which meet the social needs of the people, have to be chosen and planted. Appropriate measures to disseminate this technology, by establishment of demonstration centres, publication of popular literature on planting techniques and after care organisations of tours symposia and lectures on the contents of programme and easy availability of seeds, plants, fertilisers, pesticides and needed technical advice, are the *sine qua non* of this programme.

It may be necessary to organise the marketing of surplus forest produce, chiefly pulpwood, raised from the plantations under this programme. Government help may have to be extended in locating the buyers and also in ensuring a fair price for the products marketed. The cooperative institutions, established at numerous levels in villages, blocks, districts and States can be entrusted with the task of securing buyers for the produce so marketed. At present, the rules and procedures for securing the requisite permission for cutting, removal and sale of forest produce from private lands, are quite cumbersome and involves considerable delay. A number of middle men, make a sizable profit in the process. These rules and regulations, under the relevant provisions of the Indian Forest Act, need to be simplified.

A major hurdle to the success of the programme under social forestry is the non-availability of requisite finances, the major share of which has to come from individuals. A variety of measures like grant of loans on easy terms by land development banks, commercial banks and agricultural refinance corporation, tax rebates for investments made in these plantations,

adequate government subsidies for plantations, etc., are some of the steps to be taken for the programme to take firm root.

A major component of plantation expenses is the labour cost. Such expenses can be minimised through the institution of 'shramadan' (voluntary labour). Advantage can also be taken of the schemes like land development armies, food for work programmes, drought prone area programmes, antyodaya schemes, etc. Some thought has also to be given to the quantum of subsidies given to individuals and community organisation for plantations. At least 50 per cent of the plantation expenses must be subsidised by the government through direct and indirect help in procurement of seedlings, fertilisers, preparation of sites, irrigation, tax rebates on personal income, etc.

A number of wood based industries like paper and pulp, matchwood factories, toy factories, etc., are interested in promoting a programme of plantation on private, community and government land, on the produce sharing basis. On account of the enormous need for funds, such an association needs to be encouraged, with proper safeguard for ownership of lands and for diversion of a fixed portion of the produce to meet the social needs of the people of the adjoining areas.

#### *Social Action Needed for Production Forestry Programme*

For the implementation of this programme, the National Commission on Agriculture (1972, 1976) has recommended the constitution of State owned autonomous forest development corporations. Since the investment funds for plantations and related activities are expected to be borrowed from commercial banks or the agricultural refinance corporation, these carry heavy rates of interest. It is, therefore, necessary to manage this programme strictly on the principles of commercial profitability, using best of technology and organisation. The staff and workers have to be properly motivated to achieve the organisational goals, namely, the creation of the necessary infrastructure and climate for strengthening the industrial base for development of wood based industries and establishment of new ones. The whole operation from production of wood to its utilisation has to be viewed as belonging to the domain of one integrated enterprise and optimisation of profits of its entire operation should be the key note of its operation.

A major step in proper organisation of this programme is to identify 48 million ha. of forest areas, from within the existing forest resources. All these areas have to be free from the exercise of rights and privileges of people and should be entrusted to respective state owned forest development corporations for its proper development. Such development processes are already at work in selected areas in different parts of the country. The example of the Maharashtra Forest Development Corporation in Chandrapur district, is worthy of mention here. Apart from raising of plantations of teak, it has done good work in improving the state of rural health, housing,

roads, sanitation, schools, fair price shops, market for consumer goods, health standards of its workers, through the world food programme of the United Nations, etc.

It is thus obvious that while the foresters have an edge over others in the knowhow of forest production technology, they have little expertise in functional areas of management, like finance, general management, personnel management and specialised jobs in the wood processing industries. The corporations cannot thrive unless there is a proper blend of techniques, technology and organisation, to deliver a total package of consumer goods and services and, to achieve this aim, the corporations have to induct experts from other speciality areas. We are now no more in an age when forestry stopped with planting and harvesting of trees. It has now to be a product mix of total consumer goods and services, from paper and pulp, to camp sites in forest oriented parks.

To achieve the above goal, appropriate public policies and social action are needed for sustaining the growth and development of forestry. Issues like pricing of various forest products, choice and level of technology, the optimum product mix of forestry output, the quality of managerial inputs, etc., are quite germane to investment efficiency in this programme. Most of our wood based industries have been quite used to heavily subsidised raw material supplies and such a policy has neither promoted the efficiency of operation of such heavily subsidised industries nor have the tax payers been benefited with a sustained supply of finished goods from such industries at competitive rates and in sufficient quantities. On the other hand, such a policy has stifled the initiative for more investment in the primary wood production sector. It is necessary to rationalise the forest product pricing policies and to bring it in tune with production cost and reasonable margin of profit to the forest development corporations (Chowdhary, 1979).

#### *Attuning Forest Management Policies and Goals to New Development Strategy*

To realise the general objects of forest management, namely, 'greatest and widest benefits to people from each acre of lands allotted to forestry', it is necessary to tune forest management policies with the national development objectives. A number of gaps in forestry planning process in India have been identified by Nautiyal and Chowdhary (1979) and these mainly relate to lack of data on forestry resources, improper assessment of demand for forest products and services, absence of proper economic analysis of management alternatives, absence of production oriented goals for goods and services, irrational pricing policies of forest products, blanket subsidisation of forest development schemes, leading to distortions in investments, etc. These gaps in forestry planning need to be removed to attract more and more investment funds. It is also necessary to enter aggressively in the competitive field of export oriented wood based industries like plywood, veneers, furniture, etc., and in which the country has an edge over other countries,

because of the availability of a wide diversity of fine grained ornamental timbers. This is an area in which resources of private sector enterprises can be tapped and collaborative arrangements with overseas entrepreneurs be considered.

A related question is the changes required in the organisational structure and objectives of the forest departments. It is difficult to visualise that the present organisation is geared to handle development works under the above 3 programmes and absorb investments, which would work out to Rs. 972 crores annually. The objectives in all the three programmes may be one and the same, namely, the production of forestry goods and services; but the choice of species, the technology and the organisation needed to achieve these objectives are entirely different and so also the skills needed to execute the programmes.

It is, therefore, necessary to create three separate interdependent agencies to execute the work under these programmes. The existing forest department can be entrusted with the task of the social forestry programme. Socially, this is the most sensitive programme and needs the expertise of foresters, extension workers, planners, administrators, all blended into one single organisation and geared to channelise and meet the social needs of people for forest goods and services, chiefly from unculturable areas and waste lands. The success or failure of this programme would greatly affect similar results of other two programmes, because if production targets of social forestry are not met, then the production from other two programmes would have to be diverted and this would impede the progress of other programmes.

The newly created agency of the forest development corporation can look after the production forestry programmes. The scope of its operation can be extended to cover the numerous wood based industries, for which it may be necessary to create subsidiaries.

A third agency can be entrusted with the task of the protection forestry programme and should be created on the lines of the central soil conservation board, after suitably enlarging the existing soil conservation, training and research centres. A coordinated scheme for soil conservation, afforestation and flood control in the Himalayan region is already under the consideration of the Government of India. The scope of this scheme and its executing agency can be gradually extended to include the other areas under this programme.

The Inspector General of Forests in the Ministry of Agriculture can coordinate the working of all the above three agencies.

Suitable infrastructure needs to be created to meet the training requirements of all the above agencies. While the training in forest production technology can be imparted by the existing forestry institutions, for all the programmes, this has to be supplemented by further training in soil conservation training and research for protection forestry programmes; at the

agricultural universities, in the social forestry programme; and Indian management institutes for the production forestry programme.

The personnel of the forest departments who would be responsible for execution of social forestry in these proposals, have to be trained further in the extension methodology and other aspects of community development and cooperation, at the National Institute of Rural Development, Hyderabad, and other institutes. A detailed assessment of the training needs for forest managers at different hierarchical levels and for different speciality areas has been done by the author and may be referred to for further details (Chowdhary 1976, 1977).

#### CONCLUSION

For the forestry sector to attain its true stature, identification of the land and other resources and the production targets for its numerous outputs, are urgently called for. Although the NCA (1976) has given a meaningful lead in this direction, the social action needed to achieve this production target and the massive resource mobilisation that it entails has not been highlighted. The present paper has attempted to fulfil this need, and with proper organisation of the programmes, of protection, social and production forestry, as detailed here, it would be possible for the forestry sector to meet its explicit and implicit obligations to environment, economy and people.

Speaking about the need for forcing the pace of agricultural development, Swaminathan (1977) has said, "What is now needed is a major thrust towards achieving an optimum blend of social action technology transfer and government initiative for reaping full benefit from the vast untapped yield reservoir existing in our terrestrial and aquatic production system". These remarks also apply with equal force for the development of the country's forest resources.

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### Effect of Deforestation

Deforestation increases food production in the less developed countries (LDCs) wherever it leads to an increase in the arable land area. As the limits of arable land are approached, however, continued deforestation suppresses agricultural production. The negative effects include direct environmental processes, such as the siltation of irrigation works, and indirect effects. As wood has become scarce in South Asia, for example, cattle dung and crop residues that once functioned to maintain soil fertility have been used for fuel. In India, Pakistan, Java, Madura, and in parts of Central America and West Africa, the negative effects of deforestation have already begun to constrain food production. It appears likely that by the year 2000, the effects will be severe throughout the tropical regions. Both fuel and food shortages could result in increased less developed countries (LDCs), demands for aid, and suppression of the LDC economies may reduce markets for the products of the industrialized economies.

—*The Global 2000 Report to the President*,  
Volume 2, Washington, 1980.

## **Reverse Discrimination: A Dilemma in the Quest for Social Justice and Equal Opportunity<sup>1</sup>**

**R.B. Jain**

THE COMPETING claims of the quest for social justice and equal opportunity on the one hand and the constitutional provision of equal protection and the questionable legality in higher education and employment on the other in a highly pluralistic society like that of the USA provide an interesting parallel to the controversy on the issue of reservation that is currently raging in Gujarat and seriously threatening to affect the entire country. While the reverse racial discrimination has become one of the most perplexing social and legal problems in the American society, the policy of reservation originally enshrined in the Constitution of India by its founding fathers as a means to promote the educational and economic interests of the scheduled castes (SC), scheduled tribes (ST) and other weaker sections has also given rise to legal battles, and has resulted in occasional caste-based agitations between the reservationists and the anti-reservationists. Legal and political arguments have arisen over whether it is either socially desirable or constitutionally permissible to discriminate against someone who is not a member of a disadvantaged racial, ethnic, or socially and economically backward communities and minorities, in order to give preference and provide reservations to someone who is. The authors of *The Affirmative Discrimination*, the *Reverse Discrimination: The Constitutional Debate* and *Social Engineering & Constitutional Protection of Weaker Sections in India* attempt to raise the level of this debate from a purely emotional plane to a reasoned discussion of the issue by systematically identifying and giving expression to the principal arguments that can be made for and against discrimination on both policy and constitutional grounds.

<sup>1</sup>Affirmative Discrimination : Ethnic Inequality and Public Policy

NATHAN GLAZER, New York, Basic Books Inc., 1975;

Reverse Discrimination : The Constitutional Debate

RAELPH A. ROSSUM, New York, Marcel Drecker Inc., 1980;

Social Engineering & Constitutional Protection of Weaker Sections in India

ANIRUDH PRASAD, Delhi, Deep & Deep Publications, 1980.

## THE SOCIOLOGIST'S DILEMMA

As a sociologist, Nathan Glazer questions the wisdom and the equity of the Affirmative Action—the United States Government's policy of requiring educators and employers (from both governmental and public sectors) to actively favour members of the discriminated groups on admissions, hiring, and promotions. Contrary to its traditional policy, evolved over the past two hundred years and sanctioned by any reasonable interpretation of the constitution, the US Government, in an effort to redress discriminatory practices in the past against ethnic and social groups, has since 1965 insisted that colour and group consciousness play a primary role at the level of public policy. Until the 1970s the affirmative action was meant to seek out and prepare members of minority groups for better jobs and educational opportunities. But later, it came to mean much more than advertising opportunities actively and seeking out those who might not yet be qualified. It came to mean the setting of statistical requirements based on race, colour, and national origin for employers and educational institutions. "This new course" argues Glazer, "threatens the abandonment of the American concern for individual claims to consideration on the basis of justice and equity, now to be replaced with a concern for rights for publicly determined and delimited racial and ethnic groups". Those who believe that the new policy is temporary tend to ignore the fact that its supporters will demand it whatever the circumstances, and the [US] constitution is now so interpreted that it can be required permanently. A similar situation exists in India today, where the provision of reserving educational and employment opportunities for the SC and ST classes was originally made in the Constitution for a specific period of 10 years and that too at the initial stage of recruitment. The assumption then was that in a decade the two communities would come up sufficiently for the reservation system to be scrapped. But as the experience during the last thirty years has shown, reservations had to be extended further on the ground that the benefits were yet to reach the large majority of the weaker sections. Consequently the reservation quotas have been extending every year.

Glazer argues that in America, the racial and ethnic categories neither properly group individuals who deserve redress on the basis of past discrimination nor properly group those who deserve redress on the basis of their present deprived condition. The absence of proper definition of these categories has inevitably resulted in some unfortunate political consequences. There are already cases in America of groups who redefine themselves in order to qualify for the special rights, e.g., the part-American Indian who becomes an Indian for some public purpose; the person with a Spanish surnamed mother who now finds it advantageous to change his or her name; and the black who may have conceivably passed as white and who may reclaim black status for an educational or employment benefit. The gravest

political consequence is the increasing resentment and hostility between groups that is fueled by special benefits for some. In India such a development has resulted in a continuous decline of the unreserved category with more and more under-privileged sections of the society being included in reserved categories to a point where the Supreme Court has ruled that the overall quota can even extend over the 50 per cent limit stipulated in two of its previous decisions.<sup>2</sup> "To be sure", as Glazer suggests, "the American nation is indeed a nation of minorities, to enshrine some minorities as deserving of special benefits means not to define minority rights against a discriminatory majority, but to favour some of those minorities over others. Compensation for the past injustices is a dangerous principle that can be extended indefinitely and make for endless trouble".

In his analysis of affirmative discrimination in the three major policy areas, viz., (i) affirmative action in employment: from equal opportunity to statistical parity, (ii) affirmative action in education: the issue of busing, and (iii) affirmative action in housing: overcoming residential segregation, Glazer discusses certain special problems of each of these areas. He points out that inclusion of individuals in employment goals and quotas is clearly a positive benefit for those in the benefited groups, while it is an actual loss for others. Thus, as a result, these benefits are likely to be defended more fiercely. The benefit in the policy of school desegregation is, however, less clear. It is considered no benefit at all, but an actual loss by some of the populations involved, like the white and the Asian-Americans and the Spanish-surnamed groups, and is even seen as a loss by many of the blacks. Residential distribution is even more an ambiguous case. It is a clear gain, if it means an access to better housing with better services. But it may imply only the dubious benefit of housing in a project or among a low-income section in the central city. If this reality is considered, many for whom such a policy is designed may well see it as a disadvantage.

Glazer believes that the moral authority for strong affirmative action in America has in a large measure emanated from various judicial decisions. The power of the chief executive, the President, and the power of the Congress is matched and over-matched by the power of the courts. Although the introduction of statistical remedies in employment arises basically from

<sup>2</sup>See *Akhil Bhartiya Soshit Karamchari Sangh (Railway) v. Union of India and others*, (1981) Supreme Court Case 246 Vol. 1, Part 2, 15 January 1981, pp. 246-315.

In this case, the Supreme Court upheld that reservation of posts for SC and ST candidates in matters of promotion is not unconstitutional. Accordingly, the directive of the Railway Board introducing such reservation in cases of selection as well as non-selection posts and even where selection is by seniority-cum-suitability, introducing a system of awarding them one grading higher than the grading otherwise assignable to them by Selection/Departmental Promotion Committee introducing in-service training to them, raising the duration of 'carry forward' of such posts and raising the extent of reservation from 50 per cent to 66 2/3 per cent, on facts and in the actual circumstances was held constitutional.

the executive orders and the agencies interpreting and carrying them out, the courts play a larger role in the imposition of statistical remedies for school desegregation. The effort to introduce norms for racial and ethnic distribution in housing development is being pursued both in the courts as well as by the executive. But all these efforts are ultimately backed by judicial findings and rulings and are thus impregnable to Congressional intervention. The fact of the matter, as Glazer points out, is that judges today no longer act to defend the traditional constitutional principles, but constitutional arguments can be found to defend any principle. Apparently so, the issue becomes not what is the principle, but what is good for society. Thus, argues the learned author, there exists in America a complex of education, culture, law, administration and political institutions, which have deflected its people into a course in which they publicly establish ethnic and racial categories for differential treatment, and believe that by so doing they are establishing a just society. Glazer, however, believes that the constitution, the Civil Rights Act and most of the American people had intended that the public concern is with the individual's capacity to work out an individual fate by means of education, work, and self-realisation in the various spheres of life. If this is so, he urges, it is now the task of the Americans to work with the intellectual, judicial, and political institutions of the country to re-establish the simple and clear understanding that rights attach to the individual, not to the group, and that public policy must be exercised without distinction of race, colour, or national origin.

Ralph Rossum contends that the debate over reverse discrimination has been as confused and ill-informed as it has been strident and acrimonious. For any meaningful discussion, it is, therefore, essential to first consider the necessity, wisdom, utility and justice of using race as a basis for ameliorative preference. The issue of reverse discrimination is discussed by Rossum through a critical analysis of some of the recent and publicised court decisions in cases such as *De Funis v. Odegaard*,<sup>3</sup> which dealt with racial preferences in the admissions programme of the University of Washington Law School and *Regents of the University of California v. Bakke*,<sup>4</sup> which involved the use of racial quota in admitting students to the Medical School of the University of California at Davis. He excludes the whole lot of questions concerning other forms of discrimination. His approach

<sup>3</sup>*De Funis v. Odegaard*, 416 US 312 (1974).

<sup>4</sup>*Regents of the University of California v. Bakke*, 438 US 265 (1978). The facts in *De Funis* and this case were similar and both the petitioners claimed a violation of their constitutional rights, charging the defendants of the equal protection of the laws as guaranteed by the Fourteenth Amendment. However, the decisions of the two courts were different. While in the *De Funis* case, the court declared the case to be moot and refused to reach the merits, in the *Bakke* case, the Court upheld that the University could not use raw racial quotas in admission procedures and, as a consequence, Bakke should be admitted to its medical school, but said that other things being equal universities could constitutionally permit race to be a plus factor in the interest of diversity among the student body.

is almost exclusively focussed on constitutional arguments. Therefore, he does neither attempt a discussion concerning the proper meaning of the various statutory provisions of the Civil Rights Act of 1964 nor deal with the question raised or the controversy stirred by the U.S. Supreme Court's recent decision in *United States Workers of Ameria v. Weber*<sup>5</sup>. The main thrust of his analysis is on the arguments that can be made both for and against reverse discrimination on policy and constitutional grounds.

#### THE POLICY ARGUMENTS

The most compelling justification given for racial preference is that this is absolutely essential if equality for minority groups, and especially for blacks, is to be achieved in an unequal world. The advocates of racial preference present an impressive array of statistics, all selected to highlight the glaring inequalities that presently exist between the white and the black Americans. The problem, as they see it, is to achieve equality and this they insist can best be realised through programmes designed to enhance black income and educational achievements. In other words, their defence of racial preference is in order to redress the past injustice done to the blacks. The other arguments they give in support can be grouped under five general claims: (i) racial preference offers a symbolic denunciation of racism; (ii) it compensates victims of discrimination by preferring them over the beneficiaries of the past injustice; (iii) it provides role models for victimised minorities, (iv) it promotes socio-cultural diversity and increased understanding and communication between the majority and the minorities both in the academy and in the professions; and (v) it assures increased representation of minorities in higher education and professions and helps to enhance thereby the quality of services available in minority communities.<sup>6</sup>

Opponents of racial preferences question whether the gross statistical disparities in income, education and representation in the professions which seem to exist between black and white Americans are not irrelevant and misleading. While they would not deny that in the past blacks had generally lagged behind whites in income level and educational achievement, they would emphasise the rapid progress that blacks have recently made. This impressive economic progress is in large part paralleled by a steady and powerful movement of blacks into middle-class occupations. According to one estimate, if such a grouping includes 'white-collar workers', 'craftsmen' and 'operatives', as the grouping representing middle class occupations, by 1974, 63 per cent of all blacks had middle class jobs.<sup>7</sup> Along

<sup>5</sup>United Steel Workers of America v. Weber, 61 L. Ed. 2d 480 (1979).

<sup>6</sup>Rossum, *op. cit.*, p. 27.

<sup>7</sup>Ben J. Wattenberg, *The Real America*, New York, 1976, pp. 131-132. Quoted by Rossum, *op. cit.*, p. 33.

with this, the blacks have also scored higher in educational achievements. All this progress, they emphasise, has occurred after the passage of the 1964 Civil Rights Act, but before the introduction of governmentally imposed goals and quotas. In the circumstances, those who hold that the present non-discrimination or equal opportunity laws are insufficient and that blacks need more dramatic measures reveal a patronising and condescending attitude that blacks cannot make it on their own and must, as a consequence, be treated in perpetuity as "passive beneficiaries of conferred gains".<sup>8</sup> The reason why many proponents of protective discrimination refuse to acknowledge black success is to be found in the vested interests of affirmative action officers and civil right activists, particularly those who work for the federal government. If the government officials in the Equal Employment Opportunity Commission, for example, or the office of Federal Contract Compliance, were to recognise the considerable gains the blacks have made they might well find their jobs in jeopardy for the government might no longer need their services to rectify a problem that no longer exists. As a practical consequence, official acknowledgement of black progress is likely to be a death sentence for some of these agencies and surely for many of their employers.

There is also a fear that if the objective of the programmes is to provide compensatory justice on a group basis, they would seem to perpetuate themselves. The critics point out that "those who suffered it yesterday will some day have children, who will in turn have a claim to 'compensation'." If moral consistency can be expected, this claim too will have to be honoured, but by so honouring there will be created still another debt and thus the cycle will repeat. Thus the various objections to the policy of protective discrimination focus on the deleterious effect that it has on: (i) the self-image of the blacks; (ii) the attitude of the whites towards the blacks and of the blacks toward the whites; and (iii) the image of the blacks among the whites. On the whole it is argued that the ameliorative racial preference is destructive to the self-image of the beneficiaries.

Quoting the experience of the Government in India where the temporary device of initial preferences has soon become institutionalised, the opponents of racial preference in the United States also argue that such a policy, once instituted, is extremely difficult to alter or abolish. This was reiterated by the California State Supreme Court in the *Bakke* case, which noted that "the human nature suggests that a preferred minority will be no more willing than others to relinquish an advantage, once it is bestowed". Finally the opponents of racial discrimination also point out that the effect of protective discrimination on government is total. Thus while it "encourages the rise of ever more intrusive and potentially oppressive government, it fosters a nation of supplicants who will bow down before it to win its

<sup>8</sup>Rossum, *op. cit.*, p. 34.

blessings while enervating those citizens who in the name of their rights would otherwise resist it.”<sup>9</sup>

### THE CONSTITUTIONAL DEBATE

The kind of policy arguments as have been listed above, both for and against protective discriminations are hardly exhaustive. The problem is more complicated in relation to the constitutional issues especially in the American context. The constitutional provision most pertinent to any debate on the constitutionality of protective discrimination is the equal protection clause of the Fourteenth Amendment, which holds that no state shall “deny to any person within its jurisdiction the equal protection of the law”. The central question that arises in this context is whether the racial preference violates the equal protection clause, and if so, what test(s) should the courts use to determine it? Rossum argues that such questions may ultimately prove to be determinative of the larger issues raised by ameliorative racial preferences, for if the judiciary concludes that the appropriate standards by which to test the constitutionality of such practices is one which permits the state a considerable leeway in drawing its classifications (e.g., the ‘rational basis’ test), the justifications recognised by the Washington State Supreme Court in *De Funis* case will assure the constitutionality of these programmes. However, on the other hand, if the courts impose a more stringent test of review (e.g., the ‘compelling state interest’ test), the constitutionality of these provisions becomes doubtful.

The constitutional arguments that are generally given in support of racial preferences include: (a) that the purpose of the Fourteenth Amendment is to serve as a shield for members of ‘discrete and insular minorities’; (b) the equal protection clause is to be understood as protecting persons not as individuals but as members of disadvantaged groups; (c) the constitution has by necessity to be colour-conscious in the short run if it is to be colour-blind in the long run; and (d) that there is a great deal of difference between what the Fourteenth Amendment requires and what it permits, and the white majority is constitutionally free to discriminate against itself whenever it wishes.

On the other hand, the opponents of reverse discrimination argue: (a) A constitutional problem exists in the absence of a neutral principled defence of racial preference, as even those who advocate the need for racial preference ultimately want a colour-blind constitution. What it ultimately implies is that the way to remedy past inequities the blacks are to create new inequities to be visited upon the whites, suggesting that two wrongs, if they do not make a right, at least offset each other. (b) If this were accepted, why be the preference limited, as it presently is, to areas of employment and

<sup>9</sup>Rossum, *op. cit.*, p. 41.

higher education; and if the entire minority group is to benefit from preferential treatment, then why not give it at the ballot box—'one black, two votes', or, since more blacks pay taxes than vote, why not give preference on income-tax forms—why not establish a special tax schedule with lower rates for blacks and members of other 'discrete and insular minorities'? (c) The proponents of racial preference lack a clear understanding of just when such racial preference should end. There is a lot of disagreement on the issue as to what racial preference is ultimately to accomplish. (d) There is a lack of agreement on the term 'equality'. The proponents of racial preference claim that it is necessary to guarantee equal protection of the law; however, they disagree profoundly on the nature of this equality. Does it mean equality of condition (equality of result), or equality of opportunity (equality of treatment)? One cannot speak of achieving equality (or being denied equality), until there is first a defined meaning of equality. "Until such a definition is agreed upon, any judgement by the proponents of racial preference that it either must remain in force or is no longer necessary and should now be labelled as 'unconstitutional' will be based not on neutral principle but on whim. (e) A further constitutional problem springs from the premise "that good intentions are always constitutional". However, what is desirable is not necessarily practical, especially "the universities and professional schools cannot be expected to remedy overall societal failures or failures at the lower rung in the educational ladder"<sup>10</sup>, and that good intentions are no substitute for good policy. The critics, therefore, point out that the proponents of racial preference are not only threatening to leash the fury of the majority, much to the detriment of the very minority groups they are anxious to serve, but also helping to undermine the understanding of the American commitment to constitutionalism.

Rossum argues that even the three alternative solutions often suggested to overcome these constitutional problems, viz.: (a) the use of cultural and educational deprivation as the basis for preferential admissions, (b) an increase in the number of places available in professional schools, either by expanding the number of schools or allowing additional students to enrol in existing schools, and (c) the use of race as a 'plus' in the consideration of individual applicants, though meritorious in themselves, are not entirely free from the discretion it gives to the concerned authorities to establish covertly a quota system, which is no basis for concluding that it is any less unconstitutional.<sup>11</sup>

<sup>10</sup>As quoted by Rossum from the Brief of the American Federation of Labour and Congress of Industrial Organisation as Amicus Curiae at 17, *De Funis v. Odegaard*, 416 U.S. 312 (1974). See Rossum, *op. cit.*, p. 70.

<sup>11</sup>*Ibid.*, p. 72.

## JUDICIAL INTERPRETATION IN THE UNITED STATES

The conflicting judicial opinions given for and against protective discrimination by many individual judges on the bench, who have had the opportunity of examining these issues in a number of cases that have come before the appellate and Supreme Courts have been very admirably analysed by Rossum. While the judicial case for ameliorative racial preference in admissions is supported by Justice Brennan's opinion in *Bakke*, the Washington State Supreme Court decision in *De Funis* and the New York Courts of Appeals decision in *Alevy v. Downstate Medical Center of New York* (1976), and *Indian affairs (Morton v. Manceri)* (1974), the use of employment quota and explicit racial gerrymandering are defended by *Associated General Contractors Inc. v. Altshuler* (1973) and *United Jewish Organisations of Williamsburgh Inc. v. Carey* (1977) respectively; the case against ameliorative discrimination includes Justice Douglas' dissent in *De Funis*, the majority opinion of the California State Supreme Court in *Bakke*, and the decisions from the Eighth Circuit Court of Appeals (*Carter v. Gallagher* 1971) and the Second Circuit Court of Appeals (*Kirkland v. New York State Department of Correctional Services* 1975). Rossum gives a very perceptive account, analysis and interpretation of these judicial opinions along with the *amicus curiae* briefs filed in *De Funis* and *Bakke*. He also recapitulates many of the related themes and issues contained in the exchange of letters between Miro Todoronich, coordinator of the Committee on Academic Non-discrimination and Integrity, and Howard Glickstein, Director for the Center for Civil Rights at Notre Dame University and former Staff Director of the United States Commission on Civil Rights. But Rossum does not furnish any ready solution(s) to the web of problems that these opinions have raised, nor does he take a positive stand for or against racial discrimination. Although he firmly believes that the constitutional objections that can be raised to a social policy of protective discrimination are overwhelming, he only hopes that the relative claims of the alternative solutions<sup>12</sup> may provide some further grounds where the subsequent questions of covert unconstitutionality may be resolved through some more plausible arguments.

## THE ISSUE OF RESERVATION IN INDIA

Anirudh Prasad's study has analysed the entire gamut of the various social, economic, educational, religious and cultural rights and concessions as well as disabilities of the minorities, the scheduled castes (SC) and scheduled tribes (ST), and other weaker sections of society as available under the several provisions of the Indian Constitution and interpreted and

<sup>12</sup>Rossum, *op. cit.*, p. 14.

clarified by the various rulings of the Supreme Court and High Courts. The three different parts in which the book is divided discuss at length: (a) the protective discrimination in favour of scheduled castes, scheduled tribes and backward classes; (b) protection of the cultural and educational rights of minorities; and (c) the constitutional Safeguards of the weaker section of industrial society. The main thrust of his study has been a reappraisal of the judicial process in all these areas through an analysis of the decisions of the various courts in related cases and to enquire whether judicial interpretation of constitutional provisions relating to protection of the weaker sections reveal a balancing tendency between the different competing interests.

Prasad contends that the role of the judiciary in implementation of protective discrimination policy veers round the principle of judicial self-restraint and judicial activism. While the principle of judicial self-restraint insists on a strong presumption of constitutionality for all legislative, executive and administrative acts, it gives no creative roles to judges. The principle of judicial activism recognises the creative powers of judges. The judiciary is not mere legitimiser of governmental policy, but may create policy in order to achieve justice in the administration of justice. The judge is not thus merely an interpreter of law but may also become a creator of law. In the field of implementation of protective measures in favour of the SC and ST, the judiciary in India has followed the principle of judicial passivism or self-restraint. Citing a number of cases<sup>18</sup>, the author suggests that the judiciary in India has been willing to keep a proper balance between the interests of SC and broad social interests in disallowing such preferential treatments which result in development of a class interest in favour of the creamy layers of such communities. However, the judiciary has been quite conscious in its innovative role in the field of awarding protective discrimination benefit to the backward classes. This role has been obvious in the determination of: (a) who are the persons deserving preferential treatment, i.e., determination of the real consumers of protective discrimination, and (b) the extent to which protective discrimination can be allowed.

There is some justification in the author's conclusion that the judiciary has struck a proper balance between the protection of the interests of children and women against social interest and also in the area of industrial adjudication problems. It has also shown a gesture of adjustment between the minority right to enjoy full freedom in respect of cultural and educational activities without state interference and the social interest in the maintenance of standards and social security, although it has not been able to

<sup>18</sup>State of Madras v. Champakam, A.I.R. 1951 S.C. 226; B. Venkataraman v. State of Madras, A.I.R. 1961 S.C. 229; Balaji v. State of Mysore (1963). Supp. I.S.C.R. 439; Baralinjappa v. Minichinappa, A.I.R. 1965 S.C. 1269; Bhaivalal v. Harikishan A.I.R. 1968 S.C. 1957; Parasram v. Shikharchand A.I.R. 1969, S.C. 597; and Mangatram v. Collector Jabalpur A.I.R. 1976, M.P. 44.

spell out clearly the area(s) in which the minorities should be allowed freedom without governmental interference and the areas which require governmental regulation. The constitutional guarantee aims to keep a balance and not to give a licence to the minorities to cause disintegration and balkanisation. However, the courts in India have not taken a uniformly balanced stand in the interpretation of protective discrimination particularly in relation to the extension of the protective discrimination policy. The opinions of the Supreme Court and the High Courts on this subject seem to be divided. While in the *Balaji* case, the court rejected the reservation of 68 per cent, and attached some flexibility by making a suggestion that normally reservation percentage should not cross the limit of 50, the issue has again come into sharp focus following two conflicting court decisions in November, 1980. A division bench of the High Court of Madhya Pradesh has recently set aside a State Government order abolishing minimum qualifying marks for the admission of SC and ST candidates to the State medical colleges.<sup>14</sup> A week later, a three member Supreme Court bench upheld the validity of reservation on the ground that it did not violate Articles 14 and 16 of the Indian Constitution.<sup>15</sup>

In contrast to the American situation, where the policy of racial preference comes into direct clash with the constitutional provision of equal protection clause of the Fourteenth Amendment, such preference in India is explicitly permitted under Article 15(4) and Article 46 for admissions to educational institutions and under Articles 16(4) and Article 335 as well as Article 46, which provide for the reservation of "claims of the scheduled castes and scheduled tribes to services and posts". The controversy has arisen not only because of the continued existence of these concessions but the way these have been sought to be extended by governments in many States to gain some political advantages;<sup>16</sup> the attempt by various minority and backward commissions to extend the concessions to more sections of society; and the conflicting interpretations given by the various courts in relation to the extension of the reserved category of seats even in promotion plans, let alone in the entry level plans.

At present the normal practice with the Union and State Governments in India is to reserve 15 per cent jobs for SC and 7.5 per cent for ST categories. Apart from this the States have their own quotas ranging from 15 to 40 per cent for various backward classes which were never originally intended to be socially and educationally backward. Moreover in a very far

<sup>14</sup>Indian Medical Association (M.P. Branch), J. N. Seith and Nivedita Jain v. State of Madhya Pradesh, Decided by M. P. High Court Division Bench, Jabalpur. For details see *The Hindustan Times*, 7 November 1980, p. 1; 2, 3.

<sup>15</sup>Akhil Bhartiya Soshit Karamchari Sangh v. Union of India and others, *op. cit.*

<sup>16</sup>The politicians, for whom SC/STs represent block votes, and who have the biggest interest in its perpetration, are the only group unanimous that reservation must go on. Nobody else is so sure.

reaching judgement in *Akhil Bhartiya Soshit Karamchari Sangh v. Union of India and others*, the Supreme Court ruled last year that the overall quota can extend over the 50 per cent limit stipulated in some of its previous decisions.<sup>17</sup> The Court in its ruling said, "we arrive at the constitutional truism that the state may classify, based upon substantial differential, groups or classes and this process does not necessarily spell violation of Articles 14 and 16." According to Justice V.R. Krishna Iyer, one of the three judges who constituted the Supreme Court bench in this case, the issue of reservation was no matter of speculation or investigation because the constitution itself had recognised the backward status of the SC and ST in socio-economic terms. He did not consider anything shady about the provision of allowing lesser marks as sufficient or adding extra marks to give the SC and ST candidates an advantage. This provision, he said, had been made under Articles 15(4) and 16(4).

#### CONFLICTING ARGUMENTS

In the Indian context, it is further argued that preference in appointment contributes to national development by providing incentive, opportunities and resources to utilise neglected talent. By reducing the gap among socially diverse groups, preferences promote the development of secularism. Opponents of reservation question these arguments by pointing out that preferences would impede development by misallocation of resources, lowering of morale and incentive, and waste of talent. They place a handicap on other individuals who are deprived of opportunities they deserved on merit. By perpetuating individual distinctions, preferences cut at the root of secularism. Reservations in fact create a vested interest in their very continuation, while discouraging the development of skills, resources and attitudes that would enable the beneficiaries to prosper without special treatment.<sup>18</sup>

In their protest, the anti-reservationists have on all occasions stressed the danger to administrative efficiency and professional standards. Such

<sup>17</sup>See for example *Balaji v. State of Mysore* (1963), Supp. 1, S.C.R. 439; *Devadasan v. Union of India* (1964) U.S.C.R. 680; and *B. N. Tiwari v. Union of India*, A.I.R. 1965. S. C. 1430. These reservations also extend to all the 20 nationalised banks, the Reserve Bank, financial bodies like the IDBI, IFCI and IRCA, 159 public sector undertakings and a host of State Government Undertakings. The position regarding reservations in educational institutions is not as clear as the education is primarily a state subject, although it is now included in the concurrent list. However the Union Education Ministry in its instructions to all State governments and universities has suggested a reservation of 20 per cent seats in colleges for the SC and ST classes. With the possible exception of the Aligarh Muslim University, which has resisted all attempts to reserve seats in its medical colleges, most of the States have implemented this quota. The reservation also extends to the Lok Sabha (the Lower House of Parliament) Constituencies, where a total of 119 out of 542 are reserved for the candidates belonging to SC/ST classes.

<sup>18</sup>See Sachidananda, "Reservations", *Seminar* 250, June 1980, p. 29.

an apprehension is not quite misplaced if one considers the consequences on every institution—the judiciary, army, cabinet, administration, medical institutions, research establishments—being forced, with total disregard for competence to reflect the demographic distribution. The consequences could be chaotic. Besides, such reservation policies may violate one's right to equality before law as guaranteed by Article 14 of the Constitution. Also, the reservation policy violates Articles 15(1) and 16(1) which prohibit discrimination on grounds of religion, race, caste, sex or place of birth and assure equality of opportunity in matters of public employment.<sup>19</sup> In Article 335, the Constitution itself underlines that "the claims of the members of scheduled castes and scheduled tribes shall be taken into consideration, consistently with the maintenance of efficiency of administration in the making of appointments to services and posts in connection with the affairs of the Union or a State".<sup>20</sup>

Citing a number of cases of protective discrimination in promotional actions, the Punjab Non-Scheduled Castes Employees Association recently contended that efficiency in administration has suffered in the process and the employees belonging to SC category have, under the reservation policy, stolen a march over their senior and more efficient colleagues belonging to other communities.<sup>21</sup> The Association has, therefore, pressed for reservation based on economic criterion and the use of Article 16(4) not so as to create monopolies or unduly disturb the legitimate interests of other employees. Ironically the principle of preference in promotions to SC and ST classes of employees has received further support in the latest judgement of the Supreme Court in the *Akhil Bhartiya Soshit Karamchari Sangh* case, where it has rejected the arguments about inefficiency as 'trifle phoney', noting that at the higher levels, the harijans constituted a microscopic percentage and that even in the case of class II and class III posts, they are negligible. The Court has argued that the preponderant majority coming from the unreserved communities are presumably efficient. Therefore, dilution of efficiency caused by the nominal induction of a small percentage of 'reserved' candidates cannot affect the overall administrative efficiency specifically. It would be a gross exaggeration to visualise a collapse of the administration because 5 or 10 per cent of the total number of officials in the various classes happen to be sub-standard."<sup>22</sup>

<sup>19</sup>In a judgement on a reservation case, former Chief Justice of India, A. N. Ray, however, maintained that "Equality of opportunity for unequals can only mean aggravation of inequality....the quality and concept of equality is that if persons were dissimilarly placed they cannot be made equal by having the same treatment."

<sup>20</sup>*Constitution of India*, Art. 335, Emphasis added.

<sup>21</sup>See "Panel Against Reservation in Promotions", *Times of India*, 3 April, 1979. Quoted by Prasad, *op. cit.*, p. 245. See also the Report of Anand Committee on Removal of Defects in Jammu and Kashmir Scheduled Castes and Backward Classes Reservation of Appointment and Promotion Rules (1979).

<sup>22</sup>*Supreme Court Cases*, 1981, Vol. 1, Part II, p. 250.

## THE US PARALLEL : THE WEBER CASE

Parallel to the judgement of the Indian Supreme Court, the United States Supreme Court too has in a recent case<sup>23</sup> ruled that a company may give preferential treatment to blacks when such preference helps to redress a social wrong of long standing. The Supreme Court decision stemmed from the case of a white worker who charged that he was discriminated against when two blacks with less seniority were selected over him for training as skilled craftsmen. In 1975 two lower courts had supported his contention. Now four years later, the highest court in the US has overturned the earlier decision by a five-to-two vote. The other two members of the nine men court abstained. Weber had sued on the ground that this preferential treatment ran counter to title VII of the 1964 Civil Rights Act, which states that no person may be discriminated against on the basis of race. Justice William A. Brennan, Jr., who drafted the decision of the Supreme Court pointed out that the lower court's ruling had only followed the letter of the 1964 Act, not the spirit. In passing the Act, Congress has been primarily concerned with the "plight of the Negro in our community". "It would be ironic indeed", he added, "if a law triggered by a nation's concern over centuries of racial injustice, and intended to improve the lot of those who had been excluded from the American dream for so long, constituted the first legislative prohibition of all voluntary, private, race conscious efforts to abolish traditional patterns of racial segregation and hierarchy". The Weber decision was in contrast to the Supreme Court's ruling in the *Bakke* case in 1978. Alan Bakke, a white, had sued the University of California charging that he was a victim of reverse discrimination in admission to the University's medical school because of the school's system of a minority quota. The Supreme Court, in a five to four decision, ruled in favour of Bakke, saying that while race could be taken into consideration for admission to the school, numerical quotas were illegal. Although few had expected the Court to depart so dramatically from the conservative course that it appeared to be setting in *Bakke* case, many do not still see any conflict between the *Bakke* and *Weber* cases. The *Bakke* case, it is argued, was based on the constitution which does not apply to employer-employee relations. Equal job rights in private industry are defined entirely by statute. The California University medical school was a recipient of federal funds, and therefore, subject to legislation prohibiting the use of a quota system, whereas the *Weber* case involved a private firm instituting its own voluntary programme in concert with an independent labour union. The offshoot of the *Weber* case has been that the employers can now press ahead with preferential programmes for minorities and women—including quotas—without the fear of being sued for 'reverse discrimination'.

<sup>23</sup>*United Steel Workers of America v. Weber*, 61 L. Ed. 2d 480 (1979).

However, the judiciary in the US seems to have been more concerned about the growing incidence of charges of reverse discrimination at the promotional stage. While the courts there have demonstrated an inclination to uphold entry level hiring quotas, they have not been averse to striking down quotas for promotional preferences. This probably reflects the recognition on the part of the courts in America that reverse discrimination is more evident and visible under the preferential promotional programmes than at the entry level plans.<sup>24</sup>

#### THE EMERGING PROBLEM IN INDIA

The caste-based preferential approach embodied in the Constitution of India in job reservations in preference to economic backwardness has created a vested interest in the reserved categories, which has resulted in promoting serious caste conflicts between the preferred and non-preferred sections of society. The anti-reservationists in India seem to have a very strong case against the second beneficiaries of the reservation policy. Certain sections of the SC and ST community who were better placed to avail of governmental concessions and incentives managed to appropriate almost 80 to 90 per cent jobs for themselves and their near relatives. While their offsprings became IAS/IFS/IPS officers, engineers, doctors, the backward community at large, particularly belonging to rural areas, remains broadly untouched. Thus the relief devised in the Constitution remains infructuous for a large majority of such sections. Such a policy has in fact led to the creation of a small elite among the SC, who by getting government jobs and preferential benefits have established a strong social and financial base. They are naturally in a far better position than the children of the real scheduled castes of the time and in a number of States their literacy rate is higher than the continued general rate. Isn't it unfair to give the benefits of reservation to the children of those in the IAS, class I services, doctors and engineers, while children of class III and Class IV employees have to compete in the open category? This is one question which unfortunately has so far remained outside the consideration of the courts as well as the policy makers both in India and the US, and which seems to have aggravated the attitude of the anti-reservationists here as elsewhere.

#### CONCLUDING OBSERVATIONS

Glazer, Rossum and Prasad have all attempted to raise the basic issues connected with the controversy over reverse discrimination in the context of the two largest democracies of the world. They have been successful in

<sup>24</sup>See Kerry Radcliffe, "The Paradox of Preferential Treatment—Reverse Discrimination (1977-78), 53 *Washington Law Review* 170, p. 191, quoted by Prasad, *op. cit.*, pp. 247-48 and 255.

an in-depth and critical examination of the problem in all its aspects, and have very ably discussed a large number of policy and constitutional arguments for and against the affirmative action and reverse discrimination. It is disconcerting, however, that none of these scholars have, beyond suggesting a few reformative alternative policy measures, attempted to provide a social or political theory or framework through which the basic social tensions and conflicts created by an over-zealous adoption of such policies, or by their non-adoption, may be minimised, if not altogether eliminated. The reasons are obvious. No theoretical framework, whether it is the concept of a 'welfare state', or 'democratic socialism', or a 'positive commitment to socio-economic development' or even a 'pure socialistic society', can perhaps altogether avoid the kind of violent class/caste/or racial antagonism, which grows as the resultant product of the implementation of such policies. Paradoxically this conflict is based on the very socio-economic discontents and inequalities, which the policies of 'affirmative discrimination' or 'reservations' seek to redress. It is a vicious circle. However, Rossum's discussion of alternative policies<sup>25</sup> in this context comes very close to Prasad's suggestion of balancing between the ideals of "social engineering and the constitutional, political and social objections". Prasad suggests that: (a) backwardness or protective discrimination must be decided strictly on economic considerations and not on the basis of caste alone, (b) a periodic review of the consumers of protective discrimination should be done, and (c) instead of providing 'quota-system', it would be ideal to award preparatory preferences to the backward classes. But these solutions by themselves may not be enough.

If it is accepted that irrespective of any ideological stances permeating the political systems, it is an expected obligation of any state to ameliorate the condition of those communities, classes or groups of people, who have been the victims of social and economic deprivations and of past injustices, there is an urgent need to have a fresh look at the basic approach to the policy of 'reservation' or 'affirmative discrimination'. No government can possibly repudiate the necessity of progressively bringing the under privileged to the level of the rest of the society. The question then is of devising methods to evolve a better and more balanced system. The first step is the need to streamline and spell out the political and constitutional policies and actions clearly, so that the snowballing opinions against them may be checked, and such issues may be prevented from becoming the target of exploitation by diverse political parties for their own interests without any of them taking a definite or a balanced stand. Apart from what has been said above by Rossum and Prasad, it is necessary that supporting economic programmes (such as land reforms, distribution of land to landless farmers or to depressed classes, and the setting up of small forest based labour intensive industries

<sup>25</sup>Rossum, *op. cit.*, pp. 72-78, *Supra*, p. 15.

in the Indian context<sup>26</sup>) which will otherwise raise the status of the deprived community are liberally undertaken. Most of the social discontent of the deprived classes may then be absorbed locally as there would be a larger 'cake' of prosperity to be shared amongst the different communities. In relation to the 'reservation' issues or 'preferential action', certain other principles need to be upheld, such as: (a) preferential concessions not to be allowed to become privileges for posterity and eternity, (b) adoption of a more flexible criterion for determining the extent of economic deprivation not in terms of castes/classes/communities or races alone, and (c) preparation and promotion of a carefully and rationally prepared plan for 'quotas' or 'reserved' seats for admission to higher and professional institutions which seems unavoidable. This should neither be overdone or underdone. Reservation of seats for admission to medical colleges has been particularly an evocative issue both in the US as well as in India because of the clamour for admissions and the view shared by many that the medical profession cannot afford to have half-baked doctors. This is true of other professions as well, as of the high administrative and specialist positions in the government.

Although in India the government has recently reaffirmed its commitment to the reservation policy, with practically all shades of political parties tacitly expressing their belief in the continuation of the concessions for preferential treatment policy for the SC and ST classes<sup>27</sup>, a time has come when government and opposition parties would have to take a fresh look at the continued usefulness of reserving seats for a certain section of the community based on caste distinction in favour of "a more equitable sharing of power and privileges" on the basis of other appropriate criteria, e.g., economic factors, basis of numbers, etc., and evolving more aggressive plans for helping

<sup>26</sup>R. D. Sharma, "Not by Reservation Alone", *The Hindustan Times*, 11 March, 1981.

<sup>27</sup>At the time of writing, the State of Gujarat in India was gripped in a violent agitation on the issue of reservation of jobs and places in higher educational institutions for the scheduled castes and scheduled tribes. This has resulted in a number of deaths and loss of public property and aroused heated passions amongst the reservationists and the anti-reservationists (the so called groups representing the scheduled castes and the caste Hindus, and has sharply brought into national focus a question which should have been resolved earlier. This was the matter of debate in the Lok Sabha on March 18, 1981 which unanimously adopted a motion expressing concern and anguish over the situation prevailing in Gujarat and reiterating its firm commitment to the national policy of reservations as enshrined in the Constitution.

At the same time, a bunch of 24 writ petitions challenging quotas for SC/ST and backward classes in job recruitments and promotions and educational institutions, revolving around the *Akhil Bhartiya Soshit Karamchari Sangh case* is pending before the Supreme Court. The petitions seek to raise two fundamental constitutional questions. They are : Does the term 'appointment' in the Constitution in connection with reservations, also include promotions, and secondly; what precisely are the criteria on the basis of which certain classes are categorised as 'backward.'? The outcome of the case will perhaps set the future course of action on the issue of 'reservation'.

the under privileged communities in the preparatory stages of their quest for equal opportunities. Obviously, it must be recognised that the policy of 'reservations' or the 'quota systems', despite the ritual and-dutiful extension of provisions by the concerned authorities, without going into some of the most uncomfortable questions emerging from its operations, has not achieved the goals that were desired. The more acute problem, at least in the Indian context, is to divest the alleged custodians of the SC of the lion's share of the benefits that they have systematically usurped for themselves and have thus prevented them from spreading more evenly to the other sections of the community. Such a trend needs to be checked along with a reiteration that '*merit in any walk of life will not be allowed to suffer.*' This is necessary if the ideal of a more equal society is to be realised in practice.



## **Book Reviews**

### **Asian Civil Services: Developments and Trends**

AMARA RAKSASATAYA AND HEINRICH SIEDENTOPF, (eds.), Kuala Lumpur, Asian and Pacific Development and Administration Centre, 1980, pp. 570.

The literature on the civil service of the developing countries is tantalisingly scarce, and in this context *Asian Civil Services*, edited by Amara Raksasataya and Heinrich Siedentopf, should be heartily welcomed by both the students and practitioners of public administration. But this is not the only reason to salute the present publication.

National flags appear of late to fly at slightly lower than full mast, and the points of contact and interaction between the sovereign states have been progressively increasing. What is more, the nation-states are discovering new areas and styles of collaboration, but one such area, having an immediate meaning in the context of the present review, is the academic one: an urge to understand others and to explain oneself. In this process, the state is also emerging in the garb of a scholar, undertaking researches and in-depth studies in various areas of concern and importance. This activity has received a definite stimulation from the international and regional organisations set up since World War II.

*Asian Civil Services* is a typical product of such a collaborative enterprise. The Asian and Pacific Development Administration Centre (Kuala Lumpur) decided some time ago (the year is not mentioned in the book) to take up a research project to study the developments that have taken place in the civil services of the Asian countries over the last twenty years and of the various changes that are now being contemplated in their civil service systems. A substantial part of the funding for this far-ranging study came from Konrad Adenauer Stiftung, a German foundation with headquarters at Bonn. The countries covered under the project are eleven namely, India, Bangladesh, Pakistan, Sri Lanka, Indonesia, Malaysia, Japan, South Korea, Philippines, Singapore, and Thailand. The country paper was assigned to and written by a senior civil servant working in the central personnel agency of the country concerned. The country studies were later discussed at a conference attended by the paper writers, who then set out to finalise their papers. All these papers have now been made available to the reading public under the title *Asian Civil Services*. The book also includes 'an introduction' by Amara Raksasataya, the Director of the project, and Heinrich Siedentopf,

the co-editor of the volume, has contributed a critique under the title 'Developments and Reforms of the Civil Service in Asian Countries: A European Perspective'. This, thus, is the book's coverage, and though the research project launched a number of technical studies too the latter have not been included in it—to keep the book within manageable limits.

The countries covered in the book are hardly homogeneous, differing as they do from each other in many respects. Politically, these countries profess different forms of government and even within the same form the practice of it varies greatly. India is a parliamentary democracy while Sri Lanka has adopted a kind of presidential system. Included also are countries having authoritarian regimes as well as military dictatorships. The disparateness is no less reproduced in the social and economic spheres also. Yet these eleven countries have certain notable features which they share in common and to which the reader's attention may be invited. First, most of them were for long ruled by western powers and were thus their colonies. Some countries (like Thailand and Japan) were never formally under colonial domination but were nonetheless subject in varying degrees to their coercive influences and pressures, thereby seriously delimiting their options and choices. In short, all these countries have a past which makes them feel inconvenient and uneasy. Secondly, these countries are firmly committed to rejuvenate themselves politically, socially, economically, culturally and are thus anxious to take up programmes and schemes of socio-economic significance and execute them. In short, the administrative system has been accorded a more or less central place in all of them and since so much is expected to be accomplished by the civil service, its reform easily becomes of greatest meaning to each country.

Thirdly, as a result of this quest for effectiveness and efficiency in the civil service, all these countries have been engaged in the task of restructuring their administrative and bureaucratic system. In the process they have come to evolve certain standard structures and processes regardless of their operating political persuasions. For instance, today each country has a central personnel agency though both its functions and effectiveness vary from country to country. India calls it as the department of personnel and administrative reforms, but different countries have different nomenclatures, as given below.

<i>Country</i>	<i>Name of the Central Personnel Agency</i>
India	Department of Personnel & Administrative Reforms.
Pakistan	Establishment Division in the Cabinet Secretariat.
Bangladesh	Establishment Division.

<i>Country</i>	<i>Name of the Central Personnel Agency</i>
Indonesia	Institute of Public Personnel Administration.
Japan	National Personnel Authority.
Sri Lanka	Ministry of Public Administration.
The Philippines	Civil Service Commission.
Singapore	Personnel Administration Branch, Budget Division in the Ministry of Finance.
Malaysia	Public Services Department.
South Korea	Ministry of Government Administration.
Thailand	The Office of the Civil Service Commission.

Besides, today many countries make a distinction between the various processes involved in personnel administration. They have thus taken out recruitment (and disciplinary action) from the rest of the functions and entrusted them to a body is like the public service commission in India which is made independent of the executive in the matter of its functioning. Sri Lanka, which had earlier abolished the public service commission, has reinstated it in its present constitution framed in 1978. The public service commission, it is natural, does not have an identical set of functions everywhere—nor the same measure of effectiveness—but invariably it is put in charge of recruitment of the higher civil servants. In addition, all countries today emphasise in-service training of public personnel and have set up suitable training institutions to strengthen the administrative and functional capabilities of public employees.

All countries, moreover, are futuristic in the matter of their civil service. At any rate, this is what the various papers in the present book make out. Career planning and career management are receiving increasing attention, and rules regarding the logistics which the civil servants are required to follow are being compiled and enforced.

It is not possible to chronicle all the developments taking place in these countries: the reader is advised to read the various country papers. Each paper is exhaustive and information-intensive, which gives an evidence of the care and pains taken by the individual writers—and of the professional leadership provided by the editors. *Asian Civil Services* is an undoubtedly excellent handbook and its utility is likely to endure over a period of time.

The chapter on India written by P.K. Mattoo, is very comprehensive and is a result of patient and painstaking research. There are, however, certain mistakes, of course of a factual nature entering the text. Merit as the basis of public recruitment in India was installed in 1854, not in 1834, as given in the book. The Royal Commission on Superior Services in India was appointed by His Majesty's Government and not by the Government of India, as the author says. Similarly, the year of its setting up was 1922 and

not 1923 as mentioned in the chapter. The author talks about the controlling functions of the district collector and then refers to a certain weakening of his powers over other departments in the district 'after the First Great War'. The correct position is that with the enforcement of dyarchy under the Government of India Act, 1919, the elected ministers were jealous of their powers and would not like the hierarchical loyalty to be diluted as a result of intervention from outside their hierarchies. There are also some other discrepancies. On p. 85 the author says that in 1977 the UPSC conducted 15 examinations and handled 125,450 applications for them. This information does not tally with that contained in the twenty eighth report of the UPSC (1977-78), according to which the UPSC conducted 12 examinations and the number of applicants was 124,407. These, however, are minor blemishes in an otherwise well written chapter.

*Asian Civil Services* is wholly uncritical; and this is its most serious flaw. It is purely descriptive and informative, not analytical and evaluative. Indeed, the whole work is conceived in an institutional-structural framework characterised as it is by a nearly total lack of effort to discover empirical reality surrounding the civil service. The present reviewer felt immensely relieved when he read about India that 'the morale of the public servants has been steadily improving...' Nor is there any convincing discussion of corruption, which *The Far Eastern Economist* once called as the 'lubricant of development'! *Asian Civil Services* describes the anatomy of the civil service, not its physiology. It does not discuss the interface between the politician and the civil servant. It overlooks the politicalisation of the civil service, a process which is underway in some countries. It does not analyse the weaknesses and shortcomings of the civil service in terms of the challenges and tasks awaiting it. *Asian Civil Services* is a purely governmental effort, and it is unrealistic to expect the civil servants writing its various chapters to be analytical and critical. Yet the reader should feel grateful for what has been offered.

—S. R. MAHESHWARI

#### **Principles, Problems and Prospects of Cooperative Administration**

S.L. GOEL and B.B. GOEL, New Delhi, Sterling Publishers, 1979, pp. 218, Rs. 60.00.

#### **Administration of Personnel in Cooperatives**

S.L. GOEL and B.B. GOEL, New Delhi, Sterling Publishers, 1979, pp. 130, Rs. 50.00.

The books under review are the first two of a series of six volumes which the co-authors intend to bring out, on the subject of cooperative administration.

In the first of the two books, the authors start from the definition of the concept of cooperation and cooperative principles and a brief account of the cooperative evolution in the world and in India and then proceed to deal with the various aspects of cooperative administration. These latter include cooperative legislation in India, cooperative plans covering various sectors like agriculture credit, rural industry and consumer distribution, the organisational structure of cooperative departments at the Centre and in the States, the structure of the national federations of various cooperatives, the principal recommendations of some of the conferences and reports on cooperation and then go on to give some detailed picture of cooperative administration in Haryana. In the concluding chapters of the book, the authors deal with the working of cooperative institutions including the role of general body, the board of directors and the professional managers including the chief executives.

While a lot of ground is covered in the books, most of the material is borrowed from other text books and publications with little original contribution. The authors have stated that "if the cooperative administration is manned efficiently, it is sure that the shape of rural India can be changed and the real swaraj or Ramrajya of Mahatma Gandhi's dream can become a reality". However, in spite of the support given to the cooperative movement during the last 30 years, the cooperative movement does not seem to have fulfilled this promise. Some of the reasons for less than satisfactory performance of the cooperative institutions are noted by the authors, *viz.*, lack of business expertise and lack of definite tenure for the chief executives, absence of clear cut demarcation of duties and lack of faith in the chief executives, lack of organisational development and sound decision-making.

The second volume **Administration of Personnel in Cooperatives** in a way takes off from the last theme. At the beginning of the second volume, the authors give a text book list of the ingredients of a sound manpower planning and personnel agency. But after analysing the procedures of recruitment, promotion, training, terms of employment and employee-employer relationship in the cooperative sector, the authors come to the conclusion that sound personnel managerial practices are conspicuous by absence in the cooperative organisations. Thus the recruitment to the posts in cooperatives is not given wide publicity and the cooperatives get only the discarded persons from the other sectors. The recruitment process is prolonged which also contributes to an unsatisfactory selection. Deputation is often used indiscriminately as a method of recruitment which also militates against the efficient working of the cooperatives. Even if efficient personnel are recruited, cooperatives are not able to retain their services and there is always flight of the personnel for better posts outside the cooperative movement. The system of promotion is not open and the ablest officers often do not get their reward. Training programmes are neglected and junior persons

rather than the senior persons holding responsible positions are sent for training. The salary structure is inadequate. Service conditions are poor and the scope for career development is limited. One would expect that in cooperatives there would at least be a spirit of cooperation between management and employees. But even this is absent. The political parties have an axe to grind and the political leaders working in the Board of Directors are interested only in the establishment of their own leadership. Thus personnel management is one of the many fields where marked deficiency exists in the working of the cooperatives. Cooperative organisations like the IFFCO whose working so far has been based more or less on sound management principles are more an exception than a rule.

—P. R. DUBHASHI

### **Spatial Analysis of Urban Community Development Policy in India**

DEREK R. HALL, Research Studies Press, John Wiley and Sons Ltd., pp. 161, 1980, £ 15.00.

The monograph attempts to examine: (a) the spatial expression of responses to population growth and the problems arising thereof; (b) conceptual framework for analysis of the Indian community development policy; and (c) postulation of future development directions.

To subserve these objectives the subject discussion is spread over seven chapters. Chapter I lays down scope and structure of research and attempts to summarise the conclusions arising thereof. Chapter II deals with urban growth pattern and its morphological evolution, social characteristics of urban structure, existing urban administrative cadastre, etc. Chapter III deals with the issue of definition, its social/spatial significance, scale of urban slums and the administrative response in India to deal with these issues. Chapter IV provides a conceptual examination of the terms and processes surrounding the enactment of urban community development in a self proclaimed democracy. Drawing on the feedback available, the author discusses the structural role of spatially based voluntary associations within a democratic socio-political system before dissecting the two concepts of 'community development' and 'community action'. Further, he reviews the differentiation between and inter-dependence of these two terms within a spatial perspective which in itself leads him to examine the role as well as relevance of area based policies.

In Chapter V, the author deals with the evolution of the urban community development (UCD) programme in India and discusses in detail: (a) the aims and objectives of the programme, (b) the role of spatial factors in the urban community development process, and (c) the role of external agencies both in urban and the earlier rural community development programme.

Within this framework the author critically examines the UCD programmes undertaken with the help of three case studies, i.e., Delhi, Hyderabad and Baroda. Thereafter he coalesces the detailed empirical material from chapter V together with the wider discussion in the earlier chapters and integrates it in chapter VII. In this chapter the author also develops a 'constraint framework' with the help of which he evaluates the UCD programme. The constraint model so developed is taken as "a vehicle to evaluate within a spatial perspective the UCD processes".

Based on this analysis, Hall concludes that the "flurry of idealism which saw Indian UCD projects take off in 1960's, however, has inevitable and realistically dissipated itself". He prescribes that any "social policy short of fundamental structural change may bring little long term benefit". Attempts at present are only by a "small number of people attempting a mammoth task producing modest success in the face of profound endemic constraints".

Realising that it is difficult to encapsulate all the issues in a short monograph, Hall confesses that he has not been able to "explore all aspects with much more than a cursory glance". His confession is true and valid since in a publication of this kind one would like to get answers to the following:

(i) Identification of social or economic characteristics of people particularly in impoverished city areas and how does one classify characteristics into policy/project facilitators on the one hand and policy/project constraint factors on the other;

(ii) If the existing administrative response to implement community development as per the author is not adequate, then one would like to know as to what type of 'formal' or 'informal' institutions are needed which can implement or/and supervise UCD projects in India;

(iii) To what extent the existing UCD programmes have been able to trigger social development or help people grow out of poverty trap. At places UCD programmes have helped achieve the national, regional or local goals; then to what extent are these types of projects replicable in other areas. Further, in the absence of structural changes referred to by Hall, what is the probability of success or failure of UCD projects that are being undertaken today or will be taken up in future. If the probability of failure of these projects is significant, then how can this be minimised by field level strategies without waiting for long term structural reforms in Indian societal or administrative set up ; and

(iv) Lastly, taking into account India's spatially expressed diversity at national, regional, urban and neighbourhood levels, no "policy so rooted in cultural values as UCD can hope to be applied with anything resembling uniformity". If that be so, then in the absence of structural changes at national level, can any UCD project take off successfully at local, district or state levels.

The above are some of the areas which institutes like the Indian Institute

of Public Administration as well as the institutes of management, could fruitfully pick up some strands of thought and help throw up operational guidelines which can help projects take off despite Halls' 'constraint framework'. This will go a long way to help institutions which support the UCD programme in India and motivate agencies which formulate and execute these projects. In Table 1, I have tried to tabulate some feedback results either quoted by Hall or expressed by him and tried to identify their relevance for effective project formulation. The aforesaid synoptic table is only an example but this type of vertical use of 'research output' can be strengthened if experts in both 'cognitive' and 'expressive' social research link up their findings with possible micro level guidelines to help formulate and implement urban community development projects in India.

TABLE 1 RESEARCH FEEDBACK THAT NEED TO BE TAKEN INTO ACCOUNT IN PROJECT FORMULATION

<i>Research areas</i>	<i>Research feedback developed or referred in the monograph</i>	<i>In my view this has the following implication in formulation of area development projects</i>
(1)	(2)	(3)
<b>I. Cognitive or expressive social research in the context of urban community development policy, i.e., characteristics of target groups, target areas and basic societal parameters</b>	Caste is a significant variable in the spatial distribution of social groups Relationship between space and community is ephemeral Lack of community concept in Indian urban residential development The prevalence of informal sector Population size and density are basic parameters for areal delimitation Area size, compactness and contiguity are fundamental variables in UCD projects Social differentiation in terms of income levels and implicitly levels of expectation has also been seen to impose constraints on the effectiveness of UCD policy	This makes relocation projects socially less acceptable This reduces the possibility of public participation This reduces the possibility of public participation This calls structural changes in strategies, practices, procedures of institutions A positive attribute to be taken into account in formulation of projects An overriding principle that needs to be taken into account in project formulation Project which integrates too closely socially heterogeneous groups may face project implementation bottlenecks and project management thereafter

(1)	(2)	(3)
	UCD programmes in areas where residents do not have firm 'land tenure' tend to be ineffective	Area upgradation projects without conferring title of land on the beneficiary family may not take off in the long run
II. <i>International assistance and UCD</i>	Rural migrant to the city lacks emotional attachment to it and therefore relationship between residential space and emotional attachment is also ephemeral	This reduces the chances of establishing UCD programme based on self help and mutual aid
III. <i>Cultural peculiarities of urban life</i>	To help implement UCD projects is one time affair and is project tied and once over the enthusiasm once created peters off	In view of this it is essential that internationally funded projects be taken up as pilot projects within the national programmes and financial/administrative arrangements made to see that the pilot project is replicable and is replicated
IV. <i>Voluntary agencies</i>	The cultural peculiarities of Indian urban life tend to mitigate against delimitation of urban neighbourhoods and further constraint effective implementation of UCD policy	Needs further study by sociologists since this attribute poses intractable problem for project formulation/supporting/ implementing agencies
V. <i>UCD agents</i>	If voluntary agencies pre-exist within an area wherein UCD programme is to be pursued, it is possible that potential conflicts of aim may arise between them and indeed between them and the UCD agency. If all are competing for limited resources then demands for inclusion and boundary revision of UCD area may arise	As it is a reality in the Indian context and to the extent it exists, it reduces the chances to synchronise goals/strategies of government and voluntary agencies
	Success or failure of UCD programme though largely depends on resident's response, but role of UCD staff (community organisers, etc.) is critical as they provide functional linkage between the project and the neighbourhood.	This calls for effective administrative policies by institutions engaged in UCD programmes to get the best out of UCD project staff.

(1)	(2)	(6)
VI. <i>Administrative constraints</i>	Project workers at local level complain about a large part of their time being taken up in municipal duties. Further they complain that officials at state levels did not make sufficient efforts to orientate municipal staff towards the real needs and significance of UCD	This is an area which calls for further research to re-surrect basic tenets of institutional characteristics and working style to help implement UCD projects.
VII. <i>Concepts of UCD and its operational implications.</i>	UCD programmes have been confused and mixed up with social and welfare programmes	Partly this is the result of conceptual ambiguities prevalent in literature and partly it represents clubbing of different programmes for purposes of allotment of limited funds. This calls for augmented applied research effort in this direction
VIII. <i>Constraints of UCD policy itself</i>	Policy is bound to fail if it is largely working within the <i>status quo</i> and is not significantly transforming the social structure and root causes of many (localised) problems are inherent in such a structure.	Derek Hall calls for structural changes but does not enlighten us as to how these can be brought out in the near future and as to whether in the absence of these structural changes, individual UCD programmes/projects can still be a success. If so; then how? If not; then why not?
	A wide range of social, economic, political and physical constraints exert themselves at the local level to modify the actual application of any stated UCD policy. Many of these constraints are culture specific, indigenous to Indian social life and applications of 'western' based analytical models are only partially meaningful	

Notwithstanding these suggestions of mine the monograph does throw up some interesting conclusions and Hall is at his best when he traces how

Indian cities have been moulded by historical periods; how residential segregation tends to be levelled and heterogeneity is introduced, rather reinforced, by emergence of spontaneous settlements; how Indian scholars have tended to analyse Indian situation by propensity to imitate model building efforts by scholars abroad; how, in Indian context, community development, community action and community work is intermixed; how the concept of 'inverse care' whereby "limited resources are directed to those areas where official objectives appear most realisable" has come about; and his critique of urban community development strategies in India.

To conclude, the monograph is not a 'primer' on the subject but it does "seem to demonstrate the obvious. But in practice, the obvious is usually underestimated, if not ignored".

—H. U. BIJLANI

### **Legislatures in Development: Dynamics of Change in New and Old States**

JOEL SMITH AND LLOYD MUSOLF (eds.), Durham, N.C., Duke University Press, 1979, pp. 407.

For the last several years a group of scholars and institutions have been concentrating on comparative studies of legislatures. A consortium for such studies in the United States has already published several volumes on the subject. The book under review is the outgrowth of a seminar held at Carmel, California, from 11-15 August, 1975 to explore yet another theme within the same framework. Many of the essays in the book were presented at the seminar and a few more were added to fill the gaps. In the book, the introduction by the two editors is followed by thirteen essays. The essays are of two types: the first five deal with the features of the general system that promote or constrain development, the next seven deal with the consequences of such participation.

Smith and Musolf, the two editors, raise important questions regarding the impact of legislatures on development: What role legislatures play in decision-making? What impact have they on the lives of the people? Do legislatures promote or obstruct development? Do they contribute to the welfare of the people? They are aware that it is easy to raise questions than to answer them. There are, virtually, endless variations in the conditions of legislatures' operation that makes the task of comparison enormously difficult. Nor is there any logical basis for the selection of cases. Most of the cases that have been selected are in developing countries, a majority of them in new states. These new states share a number of common features. A majority of them came into existence not as a result of the process of integration but as a result of the decline or breakdown of colonial empires. Unlike the developed countries, the legislatures in these countries are not taken for

granted but have to continuously justify their existence. They have to contend with other elites like the military, which has the weapons, the technocrat, who has the expertise, and the political elite, which may have the charisma. While contending with other elite groups, legislatures may not have resources to fall back upon but, elected by the entire state, they alone have the capacity to provide legitimacy to the developmental efforts of the executive.

The chapters dealing with various aspects of relationship between the two are based on extensive research. For instance, Baaklini and Abdul-Wahab's study on the role of Kuwait's national assembly in influencing the national oil policy and that of Musolf and Springer's on the role of Malaysian parliament in the development of economic policy had the benefit of interviews with the legislators and in the case of Malaya of eliciting their responses through a structured questionnaire. For understandable reasons the studies do not come up with clear cut positive answers to the questions raised in the introduction. The case studies lead to different conclusions. For instance, Jain, studying the impact of the Indian parliament in the planning process, concludes that it is very limited. Only very few substantive changes can be attributed to the parliament. Jain's contention is that the very planning process in India excludes the effective participation of the parliament in the formulation and implementation of the plan. The parliament, however, performs the functions of publicising and legitimising. The experience in Malaysia is no different. The members of parliament there do not have very significant impact on any of the three stages of the formulation and implementation of economic policy: of developing a policy, arriving at a decision, and its implementation. But if one takes a larger view of the functions of the parliament, one can see that the members perform the task of explaining the policies of the government to the people. The members themselves would prefer to spend more time in individual activities. In contrast, Baaklini and Abdul-Wahab's study shows the decisive role of the legislature in the evolution of Kuwait's national oil policy.

The editors find it difficult to conclude positively that legislatures have a great impact on development. However, these studies confirm the conventional wisdom that in the formulation and implementation of developmental policies, legislatures play a peripheral role, the major role being played by the technocrats and the political executive. The wide acceptance and growth of national planning in the third world has further tended to weaken the role of legislatures. It is only when a larger view of their function is taken that their role of legitimisation and publicisation comes into focus.

As the editors and the contributors alike do not want to enter into value judgement, we do not know whether they consider this state of affairs to be satisfactory and what steps they would suggest, if any, to enhance the effectiveness of legislatures' participation in the process of development.

Students of comparative government will find in this work a wealth of

information and interesting analysis. It will be of special interest to scholars and laymen in the third world as many of the studies relate to the area.

—B. K. SHRIVASTAVA

### **Joint Ventures**

RAM K. VEPA, New Delhi, Manohar Publications, 1980, pp. 227, Rs. 70.00

Supply of entrepreneurship plays a crucial role in the industrial development of any country, more so in that of backward economy. Anything that encourages the growth of entrepreneurship is to be welcomed. The organisational innovation of joint ventures, as the author claims, is one such device. Industrial units under this form of organisation are owned and run jointly by the private entrepreneurs and a promotional agency of the government, such as the industrial development corporation, and are to be distinguished from units which are managed exclusively either by the government or by the private entrepreneur. The concept was first successfully tried out in Andhra Pradesh which has more than 50 such units out of about 170 in the country. Another State where the pattern has gathered momentum is Tamil Nadu. Haryana and Uttar Pradesh have also shown some progress.

The book is based on the experience gained so far in Andhra Pradesh with which the author was himself associated for a considerable period of time. It contains nine chapters, six case studies and several appendices. The first five chapters provide some sort of a background material, of which some are not very necessary and some could easily have been abridged. The core of the book lies in chapters 6, 7 and 8, which give a description of the essential features of the working of such units, along with their rationale. The crucial role of the co-promoter entrepreneur is emphasised again and again, for it is on him that the success or failure of the project largely depends. While selecting the entrepreneur, the government tries to see that he possesses the right mix of attitudes and qualities; he must be dynamic but also willing to recognise the inherent restrictions imposed on his operation on account of having gone into partnership with a state agency. He has to steer successfully between the obligations to the company and of those to the community and reconcile the two to build a harmonious organisation. The chairman is appointed by the government and is a senior government officer. The co-promoter entrepreneur or his nominee is appointed the managing director. The involvement of senior officials of the government with such units as chairman or director of its board has been mutually beneficial.

The performance of the joint ventures in Andhra Pradesh is considered satisfactory by the author because these have led to the growth of entrepreneurship and establishment of units which otherwise could not have

come up at all. According to him, this pattern is expected to be most successful in those States which are neither too advanced (which do not need it) nor in the too backward States (where the climate is not yet conducive to them). It is in the middle order States like Andhra Pradesh, Karnataka, Punjab and Haryana that this pattern may be found to work better initially. The pattern is supposed to be as useful for small scale units as for medium and large scale ones.

No information on the profitability of these units has been given on the ground that their performance should not be judged with reference to profit. However, at one place it is conceded that "it may well be that from a purely profit point of view, it may be less effective than a private sector operation where the control is vested in a single individual or group".

Dr. Vepa has rendered an useful service by giving a record of the experience of joint ventures in Andhra Pradesh. He has given a comprehensive and lucid account of most of what one would like to know about such units. His arguments are on the whole persuasive and convincing. The different chapters along with case studies and appendices provide a mine of information which should prove extremely useful not only to other States in our country but also to other countries interested in such ventures. However, being closely associated with the promotion and management of these units, the author seems to concentrate on the better aspects of their working and repeats himself at several places. The book would have been more valuable had it contained information on the profitability of the units, the political and administrative connections of the selected entrepreneurs, and results of some evaluative studies conducted by experts not directly associated with the units. The author may like to look into these suggestions while bringing out a second edition.

—KAMTA PRASAD

**Legislative Review of Government Programmes—Tools for Accountability**  
 EDGAR G. CRANE, JR., New York, Praeger Publishers, (distributed in India by Macmillan Co. of India Ltd.), 1977, pp. 289, \$ 22.00.

The legislative programme review is a rapidly emerging phenomenon in the United States. Quite a few of us brought up in the parliamentary system suffer from the myth that in the presidential system, because of the separation of functions, the legislature has hardly any role to play in controlling the executive and its programmes. A reading of the present book suffices to clear this wrong notion. The author says: "In our system, then, it is only natural to look to the legislature for what it can contribute to government accountability. It is all the more necessary in view of the insufficiency of other resources" (page 2).

With the vast expansion of the governmental functions and the complexities of the government, adequate methods have to be developed to make the government accountable. The author aptly says: "The difficulty of bringing government to account for both its excesses and its deficiencies has become a contemporary pre-occupation" (page 1). The traditional tools available to the legislature for this purpose, in the words of the author, are:

standing appropriations (budget decisions) and policy committees (legislation authorising programmes), committee staffing, encouragement of executive officials to accommodate by anticipation of legislative desires and reactions; approval of executive appointments, legislative or committee veto (submission of executive plans subject to disapproval by resolution), legislative clearance (advance approval of actions by committees), investigations, access to papers and files, hearings used to establish a 'contract' in public, detailed prescriptions written into the statutes, informal consultation and agreement (nonstatutory controls), control of executive organisation and the decision-making structure, controls over programme personnel (selection, conduct, and removal), control of administrative conduct (political participation, conflict of interest, loyalty), requiring executive reports, conducting casework, and fiscal control through traditional audits (pp. 10-11).

Under the traditional tool, the legislature was mainly concerned with inputs rather than outputs. The new tools are characterised as 'performance auditing' and 'program evaluation'. The use of these tools by the legislature has become possible because of "developments in accounting, management sciences, and the social sciences" (page 13). These new tools, according to the author, make it possible for the legislature "to obtain independent, objective information on the efficiency and effectiveness of the bureaucracy" (page 13).

In using these new tools the first basic problem is that of organisational structures. Here the author suggests the following kinds of legislative structures: "special-purpose program evaluation agencies, post-audit agencies, fiscal agencies and appropriations committee staffs, standing policy committees or special temporary committees, general legislative research agencies, or hybrid agencies with several divisions, one or more of which conduct program review" (pp. 26-27). The author emphasises the need for careful staffing of legislative programme review units: "Emphasis can be placed on recruiting a staff that combines mastery of a variety of analytic tools and a familiarity with program content, together with sensitivity to the political environment" (page 40). Then another important aspect is that of selection of topics and a proper selection is a key to the success of legislative programme.

According to the author at least half of the states in the United States

have "installed a capability to utilise the new tools of program review". Though these efforts are not long enough, yet "it is already clear that legislatures are using these studies and they are having impact on programs" (page 14).

The author mentions a few problems in legislative review of government programmes—one is that of cooperation from the executive, and here the strategy of the legislature may be to provide positive incentives for co-operation and even to impose sanctions for lack of cooperation. Further, lack of legislative access to executive information seriously hinders scrutiny and control. The legislature must rely for much of its information on the executive branch. Here the author suggests that institutes and universities can be given incentives by legislatures to conduct relevant and non-duplicative programme review.

The author ably discusses such other matters as factors that govern the nature of programme review by the legislature, and requirement for success of programme review. An assessment of legislative experience in seven states has also been made.

In the last chapter the author suggests :

For the future, there is a need to advance the state of the art in program review through research and development of program indicators, measures, and standdards, and thorough preparation of inservice training materials and conduct of training and orientation programs for both staffs and legislators. These continuing efforts to build upon emerging capabilities and commitments will help determine the extent to which legislative program control becomes an established part of our system for governmental accountability (page 205).

The book is an indepth study of the legislative review of government programmes. It contains ideas of practical utility. It is, however, too early to judge the impact of the new tools of legislative programme review on executive accountability. The book is a commendable reading for political scientists and all those who are interested in a democratic government of checks and balances. The book brings into sharp focus the necessity for the legislature to evolve new methods and techniques to review government programmes—a lesson to be learnt by countries where the legislature follows only the traditional methods to control the executive (particularly under the parliamentary system), if at all.

—S.N. JAIN

### Governmental Instability in Indian States

SUBRATA KUMAR MITRA, Delhi, Ajanta Publications, 1978, pp. 150, £6.95.

Indian polity went through a period of serious political instability in the mid-sixties, between the fourth and the fifth general elections. From the experience of four Indian states, namely, Bihar, West Bengal, Uttar Pradesh and the Punjab, the author S.K. Mitra of the Centre for the Study of Developing Societies, Delhi, has tried to develop a formal theoretical model to explain governmental stability, with some application to constitutional stability as well.

In politics, self interest cuts across concepts of loyalty and discipline. In political competition survival depends on an ability to "maintain and improve the flow of benefits to the followers". Consequently in all coalitional situations, political instability is a logical concomitant. Mitra's study follows very largely this theoretical approach developed by Kenneth Arrow and William Riker.

The basic theoretical model used by him is an extension of the theory of  $n$  person games. The model has been tested on data drawn from parliamentary governments in the four Indian States named above. The model is based on: (i) policy preferences of political parties in the legislature, (ii) amount of factionalism within the party or coalition that forms the cabinet, (iii) policy based differences between the centre and the states. The results—(i) the probability of the existence of an unidimensional ideological space (which is defined as the result of bargainings on various issue positions by the legislators) is negatively related to cabinet instability, (ii) factionalism is positively related to cabinet instability in the State, and (iii) the probability of differences in policy between the centre and the states is positively related to cabinet instability in the state. Mitra finds these relationships to be statistically significant, explaining an appreciable percentage of the variance. There could be other variables unique to states or 'State effects', which were also tested to find a relationship, low in magnitude, but statistically significant.

This complete structuring model has been compared by the author with an existing Taylor-Herman model on governmental stability based on fractionalisation of the party system, and found to be more reliable in prediction. Though the sample taken is small, the author feels that increasing the size of samples would even make the results more reliable. The model can also be extended to proportional representation systems.

This model also helps the conjecture that "one dominant party system model can account for stability if there exists a one dimensional ideological space with the dominant party at the middle of the distribution". This thus explains why the 'Congress system' worked so effectively in the post-independence period upto the fourth general elections. There was almost a consensus on national policy during that period, with the Congress party dominant in the middle of the spectrum, providing complete stability to

Indian polity. Destabilisation began in mid-sixties due to urban political unrest resulting from inflation, sluggish growth corruption, etc., and led to anti-Congress coalitions, which often could not coalesce on the ideological front. The Congress split of 1972 was finally a purge, as pointed out by Morris-Jones, that restored the Congress under Indira Gandhi's leadership again to its median position in the ideological spectrum, which as a whole had moved leftward. Extending the author's theory over time, this could be said also of the Janata Government's coming to power, their failure to maintain stability, and the subsequent return of Congress(I) to power in the centre of the ideological spectrum in most states.

The author has not tested his theory for the analysis of constitutional stability, but feels that, given the data, the model can be satisfactorily used to study constitutional stability as well.

The book should provide great insight and interest to political theorists and practitioners though the analytical chapters may prove somewhat abstruse to the general reader.

—N. R. HOTA

### **How Capitalism Works**

PIERRE JALEE (Translated by MARY KLOPPER), Delhi, Oxford Univ. Press, 1977. First Indian Impression 1980, pp. 128 (Paper Back), Rs. 22.50.

Administration is a certain kind of intervention in order to alter, modify, remove and/or introduce outcomes which tend to flow or refuse to flow from the social processes. Therefore, in any society there tend to emerge some administrative processes, practices, administrative organisations, and personnel (with their motivation, culture, etc.) and some administrative domains (administered processes, people, groups, classes, strata, etc.). Bulk of the analysis of administrative processes, practices, organisations, personnel and the like treat the chosen object/objects of analysis and investigation in a kind of splendid isolation, to a lesser extent from each other, and to a greater degree from the totality of the 'universe'. In fact, it is taking the rules of analytical convenience too far to treat administration as an exogenous institution to the social system.

It is the individual components of such a wider universe which are often systematically inter-related and analysed. Not that the discussions are generally not sensitised to the broader environment; that is inevitable notwithstanding the degree and form of explicit concern at the incorporation of the broader parameters and their specific form of interactive impact/impulses analysis. What one sees but rarely are the exercises that look at the totality of the social process as an integral (multi-faceted, complicated, highly differentiated and yet organically interlinked) whole. Therefore, one comes across social, political, organisational, structural, economic, financial,

and what have you aspects of administration, but rarely an integral social science analysis of administration.

The compulsive pressures of mundane existence pose problems for analysis. These problems have the added attraction of being somewhat easily handled through the skills and expertise disseminated through the conventionally obtaining division of labour and compartmentalisation in social sciences. Once subjects and disciplines emerge and continue their existence, traditions and schools of thought emerge. University systems are set up to carry on the reproduction process of such compartmentalised knowledge, which, in any case, has the facility and advantage of addressing itself fairly effectively to the solution of the majority of the routine problems posed by life and the incremental interventions necessitated in response to them.

These issues and characterisations of the process of evolution of the disciplines concerned with public administration have all the greater relevance for countries like India which borrowed from the dominant west not only modern technology and the paraphernalia of a partially modernised social system, but also a paradigm in terms of which to respond to newer problems which they might encounter. The limited relevance of various theories and approaches which emerge in the west acquire, therefore, much blunted edge in third world countries like India.

In view of the perspective described above, it is increasingly realised that an integrated social science approach is an essential pre-requisite for developing meaningful administrative analysis. One important component of such an approach is a thorough analysis of social systems in their global, historical context so that the relevance and effectiveness of interventions might increase. It is from this point of view that works like Pierre Jalee's *How Capitalism Works* acquire a great deal of significance. True, the present work is trying to explain in a clear and simple way, the working of the capitalist economic and social system mainly in the context of developed western societies. But insofar as capitalism has become the dominant global social system encompassing countries like India (with its multi-structural, under-developed characteristics) a simple analysis of the system avoiding 'dishonest simplifications' is an essential pre-requisite for an appropriate recognition of the administrative system. This is the case, more particularly, because the book under reference develops a fairly penetrative analysis of the international ramifications and the relationship of the present day capitalist system.

Its chapter entitled 'Monopoly Power: the New Face of Imperialism' is one of the simplest and yet fairly comprehensive analysis of the processes which brought underdevelopment into existence and tends to perpetuate it. Similarly, the chapter 'Demystification of the State and the Reality of Capitalist Democracy' brings out sharply the context of public administration. It shows how the monopoly capitalist state has the means to act beyond the medium term, and to intervene at the structural level where

fundamental and lasting choices are made. Thus it is shown how the bourgeois states in the post war period have become the instruments of large scale capitalism with increasing inter-twining with transnational corporations and international capital. It is good and useful to look at the problems of development of the third world in the specific context of the immediate contending forces and problems, but given the new type of dependency which has evolved in international relationships it would be naive and misleading to keep the international perspective off the scene for long. Understanding the mechanism of operation of the social and economic system is essential to determine the areas of intervention or the forms and methods of intervention, and also to visualise the limits and possibilities for social engineering not only at the margins but also at the basic structural and systematic levels. For example, agriculture and peasantry have become one of the important concerns of public administration. It would be self defeating if the economic system is not analysed to show how the peasants have become dependent of the market for everything prior to and subsequent to production. Even when family labour is used, it has to be realised that even in the midst of widespread unemployment it has some opportunity cost in terms of the market wage foregone. In one word, as Jalee says, "A national reality exists which is still more than an empty concept, but beyond and in spite of it, international class stratification stretches across the entire capitalist world and transcends all frontiers." The chapter "General Alienation: An Increasingly Irrational System" is one of the most abiding interest and significance for understanding bureaucracy and organisational effectiveness. It highlights the ideological and political conditioning of citizen; it also demonstrates the reality of the politics of the so-called participation. In brief, "super-structural alienation in all its forms has penetrated the entire fabric of society". Thus the sub-set of the social science of administration and the sub-set of its practitioners are both elements of the problem-set as also of the solution-set. Or, perhaps, it would be better to say that it might be misleading to separate the problem-set from the solution-set far too much and far too long. In brief, Jalee's book is an essential reading for all those who want to treat the subject of administration in a manner capable of making an impact on the life and existence of the masses.

—KAMAL NAYAN KABRA

#### **Privileges of Members of Parliament in India (including the Members of State Legislatures)**

HANS RAJ, Delhi, Surjeet Publications, 1979, pp. 287, Rs. 50.00.

Nowhere the impact of the British Parliament—euphemistically called the 'mother of all parliaments'—is more explicit in the Constitution of India

than in its provisions relating to parliamentary privileges where it is provided that the powers, privileges and immunities of parliament and its members until so defined by parliament, "shall be those of the House of Commons of the Parliament of the United Kingdom, and of its members and committees" as on 26th January 1950; parliament has not as yet codified those privileges. Hans Raj has brought out very clearly and in a lucid style the privileges enjoyed by the members like freedom of speech, freedom from arrest, exemption from service as juror and exemption from attendance as witness, and its limitations. The privileges of the house as a collective body have found a significant place in the book along with various important deliberations and none-too-happy incidents which have occurred in either house of parliament. The privileges cover the right of each house to forbid the publication of its proceedings; the right to regulate its own internal affairs; right to exclude strangers; the right to decide matters arising within four walls of the house; the right to punish those who are adjudged guilty of contempt of the house and the right to summon and examine witnesses and the manner in which these have been used during 1950-79. There are also references about important happenings in some of State legislatures on these counts.

The most interesting part of the book, chapter 12, is captioned 'Recent Trends in Privileges'. It is here that the author formulates the clear proposition that parliamentary privileges have been recognised "as essential pre-requisite for the creation of an atmosphere of freedom in which parliamentarians may be in a position to discharge their duties conscientiously, without any uncalled for interference from any other state agency or organ. The parliamentarians are equally expected to make dignified, proper and honest use of their privileges consistent to their position in a democratic set up." And goes on to observe: "Even if due account is given to the fact that Indian democracy is still in its infancy, yet the trends do not seem to be very healthy." The author recalls instances of disrespect to the chair, the problem of interruptions, the problem of disregard for statutory provisions and conventions of the house, affrontation to the head of the state, and occasional use of physical force. The author ends with a rather useful note when he concludes: "If all the parties and individuals sincerely try to maintain decorum in the legislatures it will become really easy to solve this complex problem." Will they, remains uncovered and unanswered.

As I went through the book, I felt that the author would live up to the task he has set before himself in the preface where he refers to the 'vexed issue' of privileges and poses: "What should be the powers, privileges and the immunities of legislators in their individual and collective capacity?" He has, however, largely confined himself to a study of the "powers, privileges and immunities of legislators" largely in the historical framework particularly since 1919 and as these operate today, rather than in the future perspective of what these 'should be'; or, whether these privileges have

served the members well in the discharge of their duties; or, the society at large in fulfilment of the cherished goals laid down under the constitution. An analysis of this kind would have required the author to analyse the privileges of parliament and its members in the broader framework of the rising expectations of and the level of consciousness among the people, the populist postures of promise and lack of commensurate performance, the state of public life in the country, and the like.

Parliament is the nation in miniature; but it is not the nation itself. It deliberates to see that the existing law is adequate in regulating the affairs of the society and the government, and creates new laws when necessary. The government is its creation and remains responsible to it. Nonetheless, it does not interfere in the day-to-day governance but guides it, and whatever is said in parliament does influence in a decisive way the response of several functionaries of the government. There is no denying that parliament and its members must have certain constitutional privileges which protect its members against interference in carrying out their duties, but these privileges will also have to strike a balance with the freedom of the individual and the freedom of the press, among others. It is gradually becoming imperative that concerted efforts are made to codify parliamentary privileges in India. The book under review triggers off these thoughts.

All in all, Hans Raj's book, is a welcome addition to the study of parliamentary privileges in India and would be of relevance not only to the members of parliament and state legislatures but also to researchers, members of the press and the general readers.

—B. P. SINGH

#### **President's Rule in India**

SHRIRAM MAHESHWARI, Macmillan (India), Reprinted 1977, pp. 213, Rs. 50.00.

#### **State Governments in India**

SHRIRAM MAHESHWARI, Macmillan (India), 1979, pp. 319, Rs. 58.00.

Of late, the government and politics at the state level are engaging public attention and the two books under review constitute valuable contributions to this area of interest. In a manner of speaking, the two books can be considered as part of one and the same continuum—*President's Rule in India* constituting its specific opening and *State Governments in India* becoming its general end. If one were to talk about the new ground which the two books taken together break, one will have to point out that Maheshwari's contribution lies in the fact that, while, earlier, the phenomenon of the President's rule and State Governments had been examined from a

political science angle, he has brought to bear a political science-cum-public administration perspective on it.

Turning specifically to the first book, the author has examined the following postulates concerning the President's rule :

1. President's rule is invoked only when no political party is in a position to form the government.
2. Law and order is maintained firmly under President's rule.
3. The functioning of the State Government becomes more efficient under President's rule than under popular rule.
4. Political interference in the functioning of the administration is reduced under President's rule.
5. Corruption in public administration disappears under President's rule.
6. Developmental programmes come to receive high priority under President's rule.
7. The Central Government's bounties to the State increase significantly under President's rule.
8. People prefer President's rule to a popular regime (p. 153).

As a result of this examination, he has come out with some valid conclusions. One could refer here, among others, to one observation which relates to the hypothesis that people prefer the President's rule to popular rule :

That section of society which has consistently remained, for a variety of reasons, outside the active ambit of public administration all these long years and have neither dipped into the benefits made available by it under the various welfare programmes nor tasted its cussedness beyond a level to which they have, by and large, become accustomed, remain generally unconcerned about who 'rules' them. But those who habitually come into contact with administration, directly or indirectly, begin itching for the restoration of democratic rule. Though the restiveness is fairly widespread, it becomes manifest much earlier in urban areas (p. 164).

On the negative side, the President's rule is characterised by a deliberate suspension of the democratic processes in the state (p. 185) and, in positive terms, "However distasteful it may sound, the very political use of Article 356 contributed towards a sort of stability in the States" (p. 187). It may be recalled here that, while discussing the causes of the President's rule, the author has come out with a general observation that "It has been imposed to cope with situations of political instability in the states but also to subserve other ends—and that, too, on a liberal scale" (p. 169). The author has

tread a well-known ground in his conclusions but has not clearly taken a position in regard to the basic dilemma built into the concept of the President's rule which one can sum up as the dilemma of suspension of the democratic process *versus* the quest for political stability. Is the latter necessarily to be preferred over the former, all the more when the author has himself visualised the possibility of the quest for political stability being used as a cover for the suspension of democratic processes in a State and that also for partisan ends? The value of the book would have been further enhanced if Maheshwari had addressed himself to some of these basic issues and interviewed some more political actors involved either as subject or as object of the President's rule in the States. This, in turn, would have brought in additional empirical insight into the theory and practice of the President's rule.

The second book *State Governments in India* has a pronounced public administration perspective. From that angle one finds the incorporation of the following chapters very useful: The secretariat (pp. 58-68), Departments (pp. 69-74), the Board of Revenue (pp. 75-85), Divisional Administration (pp. 86-94), District Administration (pp. 95-117), Public Services (pp. 128-152), Vigilance Machinery (pp. 160-171) and Administrative Reforms in the States (pp. 172-183). Some of these chapters have tended at places to be more descriptive than analytical, the chapters dealing with district administration and public services being a happy exception. The importance of these chapters taken together lies in the fact that one does not easily get in one volume so much information at one place about some of the less known facets of State Governments. However, the approach of the author in the book remains pronouncedly institutional so much so that in the discussion of centre-state relations (pp. 220-244) he has made at length a plea for an inter-state council. Similarly, his discussion of regionalism (pp. 184-219) attaches great importance to regional committees and their role.

What is contended here is that regional institutions are likely to be a serviceable administrative device to attend to the problems of regional development and concern and thus become conducive to the happiness and contentment of the people. It is much more prudent to first press into service this mechanism than to straight away invoke the ultimate weapon in the armoury, namely, Article 3 of the Constitution (p. 219).

A valuable chapter in the second book is the one dealing with the evolution of the states in India (pp. 6-32). One could recapitulate with advantage some of the more important conclusions of the author emerging from the pattern of the states' evolution. To begin with, "As several present-day states have come to comprise former princely jurisdictions, it is not unlikely for them to embody and reflect two different, though disappearing,

administrative sub-cultures in the light of two different socialisation patterns of their public personnel" (p. 30). Again, "Anomic movement has been at the back of 'evolution' of states in India and, thus, viewed, the process of emergence of States has been, in a way, more forced than evolutionary" (p. 30). Further, "Although the number of States has increased from fourteen in 1956 to twenty-two in 1978 many of them are still quite large sized—larger, indeed, than many sovereign states in the world" (p. 32). The author, however, does not take his argument to its logical conclusion as he does not make a plea for more but smaller states.

Finally, Maheshwari has tried to be as up-to-date in his coverage of the subject matter as possible and this is amply borne out by his discussion of the Asoka Mehta Committee's recommendations in chapter 18 dealing with local government: Rural: The Asoka Mehta Committee and Beyond (pp. 268-280).

To sum up, the two books under review are a valuable contribution to political science in India. The chapters dealing with centre-state relations and regionalism would have been more interesting if the author was more analytical and evaluative. Nevertheless, a student of political science is well advised to take note of these two as important in the field of political and administrative studies in India.

—IQBAL NARAIN

### **Status Attainment in Rural India**

BAM DEV SHARDA, Delhi, Ajanta Publications, 1977, pp. 186, Rs. 48.00.

At the core of several global issues like limits to growth, basic needs, population reduction, and new economic order is the problem of social mobility of vast numbers of people living below the poverty line in the third world countries. In the multi-faceted problem of development and social change, 'status attainment' occupies a crucial position. As the author rightly points out, a rapid review of previous studies in rural sociology in the Indian context reflects the excessive importance accorded to caste in the process of stratification to the neglect of other determinants of mobility. The present study seeks to tread a different path focusing on movement of individuals within a hierarchy of positions in their life cycles.

The monograph seeks to describe a process of stratification in rural India from the perspective of Blau and Duncan paradigm. This paradigm conceives of the process of stratification in terms of the individual's life cycle. Here the author seeks to probe the process of inter-generational occupational mobility. The dependent variable selected in this research is the occupational prestige level attained in 1962 by adult male Punjabi villagers. Other key variables include father's occupation, land ownership,

and jati status. The data is handled through the use of: (a) rural India occupational prestige scale (RIOPS), and (b) standard international occupational prestige scale (SIOPS).

The data for this study concerns 906 heads of households from 11 villages of the States of Punjab, Haryana and Himachal Pradesh. The data is taken from the socio-economic surveys of these villages conducted by the census authorities during 1962. The villages are not contiguous, but to quote the author, "I had to use the survey villages as though they were a network" (p. 70).

Given the diverse variety of customs, traditions, resource endowment and levels of social and economic development, a question arises with regard to the adequacy of a sample of 11 villages chosen on 'purposive' basis to obtain a representative picture of the status attainment for entire rural India. The author too echoes a similar reservation. The period of data collection relates to as far back as 1962. Since then, as we all know, much social change has occurred specially in Haryana and the Punjab. One fails to understand why it took for the author 15 long years to share his research effort with the readers. Alternatively, a longitudinal analysis of the trends and patterns of social mobility by way of repeat surveys in the selected villages would have given valuable insight into the dynamics of change in rural India.

In tune with earlier research findings, the author concludes that education has little effect on the placement of individuals in occupational roles. Other major findings of the study are: (a) father's occupation exhibits large direct effects on the respondents' occupation; (b) 'jati' status (presumably Caste status) greatly influences the respondents' education; and (c) the measure of influence of jati status on occupational attainment is meagre. The author observes that neither of the two variables of jati rank and father's land seems to be important for status attainment. However, little light is shed on such vital questions as: (a) what is the inter-relationship between social differentiation and economic hierarchies vis-a-vis status attainment among members of different social strata? and (b) are there any discernible intervillage variations in status attainment of individuals within a given social strata?

The author compares the Indian data with Occupational Change in a Generation (OCG)-I survey data of the USA. The occupational status of father seems to be a poor predictor of the respondents' education in both the countries, the comparison reveals. The strength of the present study lies in its methodical treatment of data through advanced techniques including 'path analysis'. Even though the data was subject to rigorous statistical testing, the interpretation could have been enriched by incorporating wider social determinants like dialectics of traditional and modern social institutions in the villages and the role of state interventions and local leadership in stimulating social mobility. Well, it may be beyond the scope of the study

but should it be excluded? The author forcefully advocates the plea for treating occupations as major dimensions of social status in agrarian societies.

The presentation is lucid and the material arranged systematically. However, the printer's devil seems to be omnipresent. The details of occupational prestige scales employed in the study are described in the appendix.

—MUKKAVILLI SEETHARAM

### **Health Care Administration: Policy Making and Planning**

S.L. GOEL, New Delhi, Sterling Publishers Pvt. Ltd., 1980, pp. 288, Rs. 90.00.

Unlike other activities of government that influence development through improvement of human material, either physically or mentally, the sphere of health administration, unfortunately, has not received the attention it deserves. There are few books on health administration, especially by Indian authors; and, of whatever have appeared, I believe, S.L. Goel's Health Care Administration is, noteworthy.

Chaturvedi, a senior administrator and Secretary in the Ministry of Education and Social Welfare, in his foreword to Goel's book supports my observation when he says : "Dr. Goel has done pioneering work in this field and deserves commendation for his efforts. He has taken scholastic interest for more than a decade by organising training and teaching programmes relating to various aspects of health care administration."

Planning in essence is policy formulation for development. Policy itself has, in turn, to follow a planned approach. It is through a coordination of planning and policy that the objectives are distinctly laid down by the political thinkers which, when fulfilled, ensure equitable, balanced and proper growth. As in all other fields, this is true of health administration as well.

Explaining the close reciprocal relationship between policy making and planning, Goel says: "Planners, who ignore policy only jeopardise the good results of their endeavours. On the other hand, a planning process has various possible feedback effect on policy" (page 5). He also suggests adoption of a systems approach to sort out problems of policy making, planning, and decision-making. Through an integrated approach, with the help of these important tools of administration, problems of health administration can indeed be resolved much better and quickly. Health manpower planning, management of health projects, the planning of nursing education and its administration are amongst the other important aspects dealt with in this publication. No doubt it is the human enterprise which functions as an important developmental factor in any scientific approach and this topic has received good coverage here.

Further, the book makes an approach to the problem of policy making and planning in health administration that is quite different from what the foreign academicians normally do. The diagnosis here of the poor performance in the field of health care administration is analytical. The ways and means suggested to improve the performance may also prove to be effective. The charts and figures would enable discerning readers and health administrators alike to quickly understand the basic structure involved in policy making and planning. Towards the close of the book, there is in addition an important document on 'national health policy', forming, as it does, the foundation of the health care of the Indian people.

—HARBEL SINGH

### **Panchayats and Rural Development**

D.V. RAGHAVA RAO, New Delhi, Ashish Publishing House, 1980, pp. xi + 96, Rs. 35.00.

This book is based on the data collected for the 'Tumkur project' in respect of the Tumkur District of Karnataka State by the Institute for Social and Economic Change, Bangalore. The data relates to 1976-77.

As rightly stated by Dr. V.K.R.V. Rao in his foreword, "Success of rural development through democratic decentralisation largely depends on two basic factors, *viz.*: (a) the emergence and growth of egalitarian power structure in democratic institutions at the grassroot, and (b) economically viable size of these institutions." The present study deals with the investigation of these two issues at the level of village panchayats in Tumkur district.

The author has attempted to provide answers to two basic questions, namely, what is the leadership pattern in the village panchayats in Tumkur and how far this reflects the caste and class structure of the villages; and at what level of population a village level panchayat could be considered as an economically viable unit, in terms of resources, to be able to implement the rural development programmes. These questions are of great importance both in the context of democratic decentralisation and rural development.

The study is based on an indepth examination and analysis of information collected from a final sample of 172 village panchayats covering 213 villages in nine out of ten taluks of Tumkur district. The initial sample of 245 villages covered ten per cent of all inhabited villages in all the ten taluks. Of this, the data could not be obtained from sample panchayats in Turuvekere taluk and part of C.N. Halli taluk. Consequently, the final sample got slightly reduced. All the same, the final sample gives a fairly representative picture of the district.

The information relating to village panchayats was collected through administering a panchayat questionnaire to all the sample panchayats.

These were filled up by panchayat extension officers attached to taluk development boards in the district under the close supervision of a team of academic staff including the author. The panchayat questionnaire provided information on caste, age, sex, education and land holdings of the different office-bearers of the panchayats. This information was analysed to determine the extent to which the power structure in the village panchayats reflected the caste and class structure of the sample villages for which information was obtained through a household schedule. The data on the income and expenditure of the panchayats under various heads was also collected in order to understand their functioning and for identifying the economically viable size for a village panchayat.

The analysis and results are presented in seven chapters including introduction. It is brought out clearly that the power structure at the village level is heavily in favour of the locally dominant social groups, judging on the basis of three attributes of dominance, *viz.*, ritual status, control of land, and numerical strength. The scheduled castes constituting 19 per cent of the total population and controlling 10 per cent of the land could capture only one per cent of the offices of the chairman in the village panchayats. They could, however, send up 18 per cent of the members to the panchayat committees, but this is mainly because of the statutory reservation of seats for them. According to the author, economic power and numerical strength are vital for acquiring domination in panchayats or any democratic local bodies. But these two attributes would help only when the ritual status of the group is not too low. Further, when two social groups of the middle level ritual status with equal weights on the other two attributes compete for power, probably the one with higher ritual status would dominate the scene. The author also shows that the power structure is still heavily in favour of the older age groups. It has also been found that the power structure is very much in favour of the upper economic classes with reasonably good educational status. The empirical evidence on the various conclusions of the study is very well presented.

Analysing the data on panchayat resources and functioning, the study has come to the conclusion that larger panchayats having a population base of 4,000 would be economically viable to implement rural development programmes. In this context, the author has made two policy suggestions. First, such a unit of 4,000 persons should form the basis for a panchayat, a cooperative, and other institutions dealing with rural development. In other words, a cluster approach has been suggested. The second suggestion is that there is a need to give representation to villages rather than to population within the unit so that each village, having a population of at least 200 persons, will have its representative in the panchayat to take care of its interest. This has been suggested because the present system of representation to panchayats on the basis of population puts the small villages at a disadvantage. These are very practical and useful suggestions

and deserve serious consideration.

There is, however, no specific suggestion as to how the dominance of upper economic classes in panchayats could be reduced. This was probably beyond the scope of the study. At the same time, this is an area of crucial importance and deserves serious attention. Though at a general level, one could say that there is an urgent need for effective implementation of land reforms and improving the spread of education among the weaker sections of society, as has been advocated by many, yet there is also a need to ensure, through institutional arrangements and appropriate administrative procedures, that the benefits of rural development, intended for improving the conditions of the weaker sections of society, reach them without hindrance. These aspects have also to be looked into in an objective and scientific manner to bring about the required improvements. Research and action in these directions is of vital importance for the speedy reduction and eradication of poverty and for bringing about a just social order.

The dominance of the upper economic classes in panchayats and other local level institutions is well known and is an established fact, as already brought out by other research studies. The future efforts of both researchers and administrators should be to suggest how the local institutions can become more representative and how to ensure that the benefits of development reach the weaker sections in an increasing measure.

—M.L. SUDAN

**Input-Output Tables for India: Concepts, Construction and Applications**  
M.R. SALUJA, Wiley Eastern Limited, 1980, pp. 135, Rs. 60.00.

Research in the field of input-output analyses has come a long way from the time it was first applied by Professor Leontief for the American economy. The development and application of the input-output system is no more confined to the developed economies, it is being increasingly utilised by social scientists and planners in the developing economies as well.

In India, compilation of I-O tables started in the early fifties. Despite the enormous cost of tabulation and the additional problem of finding the requisite statistical skills, these efforts have been quite commendable.

The book under review provides the first comprehensive survey of these efforts and explains the various concepts and definitions used. Apart from the brief historical review of I-O tables in India, the salient features and limitations of some of the important tables are discussed in the first two chapters. It is apparent from this discussion that the tables are often incomparable, being based on different methodologies and concepts. The third chapter covers the actual construction of a 77 sector table (at producers'

prices) for the year 1970-71. Viewed in the context of the earlier table, compiled by the author for the year 1964-65, this later exercise is significant, as it provides us comparable tables for two different years.

The value of this book as a whole lies in the fact that it gives the researchers a clear and critical insight into the methodology used in the tabulation of I-O tables for India. This detailed information is very essential as the weaknesses in the data base for the various sectors highlighted in the study, facilitate the avoidance of indiscriminate generalisations, which sometimes take their clues from input-output studies conducted for developed economies. Such studies are very often based on a stronger and more reliable data base and are of structurally homogeneous economies.

Moreover, the ever expanding group of researchers in the scientific field and in industry and government will find this book a useful and timely contribution. One however feels that the last chapter on the application of I-O techniques is far too brief and could have incorporated a few more noteworthy instances such as the measurement of the Hirschmanian linkages.

— ANIL C. ITTYERAH

### **Psycho-Social Dimensions of Agricultural Development: An Analysis**

B.C. MUTHAYYA AND S. VIJAYAKUMAR, Hyderabad, National Institute of Rural Development, 1980, pp. 103, Rs. 18.00.

The object of the study is to find out the possible changes in the personal and social levels among those exposed to the intensive agricultural district programme (IADP). In Karnataka and Tamil Nadu this particular programme has been implemented; therefore, these two States were chosen for the study. The Thanjavur District of Tamil Nadu and the Mandya District of Karnataka were thus selected for the study area. For comparing the results of these two districts with similar districts where some of the basic conditions for agricultural development are comparable, except for the package of practices, the South Arcot District in Tamil Nadu and the Mysore District in Karnataka were selected. From these four districts two blocks in each and two villages from each block were selected.

As the size of the landholding had a bearing on the consequences studied, this variable was used for selecting the sample in each of the 16 villages. The total sample covered in the IADP districts in both the states was 238 and in non-IADP districts 259.

The book has been divided into seven chapters and it is the seventh chapter that gives the concluding observations. By and large, the study does not reveal much of a difference in the various socio-psychological dimensions between the respondents in the IADP and the non-IADP districts of the

two states. However, it shows that the changes in any particular variable were more across the land-size classes stratified for the purpose of the study. Whatever socio-psychological changes were observed, were more in the higher land-size classes. The benefits accruing to them had not percolated to the lower levels in the hierarchy of land-size classes. Various other studies also have brought out this very clearly.

One implication of the findings of this study is that whenever any kind of economic programme is to be implemented, it is necessary first to identify the target groups and also to envisage the type of changes that may follow. The economic inputs on their own may not bring about social development. It is necessary to conceive the type of social development that should follow so that each part will supplement the other and serve as a driving force for sustaining the benefits of economic development.

Although the study brings out a fact which is known and the truth which is acknowledged, it is necessary to have this type of attempt off and on so that the policy makers and planners do not forget what they owe to society.

—SHANTA KOHLI-CHANDRA

#### **Public Enterprise in India: A Select Bibliography**

M.P. NAYAR AND DEVENDRA KUMAR, New Delhi, Budua's Press, 1980,  
Rs. 100, pp. 256.

Public enterprises comprise the biggest and the most important component of our national economy in the industrial sector because of the huge investments and potentialities to generate industrial capacity and employment opportunities accompanied with a social purpose of ploughing back profits for socio-economic development of the nation. Unfortunately, till recently, they were undergoing a period of stunted existence despite best intentions and tremendous inflow of resources, in terms of money, men and materials. As such, heated controversies on issues, justified as well as unjustified, ranging from pleas for promotion to extinction of this sector, have been raised by academics, administrators, public leaders and even the common man having some understanding of our problems. It is a matter of great solace that the public enterprises have now been able to get over the hump of uncertainty by establishing their credentials at the national as well as international level (despite stiff competition from international giants).

As is evident, during the period of last three decades of their expansion, literature on and about them has grown rapidly. This is quite natural and logical because of the pervading importance of this sector. But this proliferation of literature—articles, books, reports, research studies, etc.—has at the same time created tremendous problems (even by its sheer magnitude) for the

policy makers and researchers in the field. Since the bibliography under review caters to their need, it is a welcome addition.

In the present volume, the compilers have listed out a selection of literature as perhaps, and rightly so, preparation of a comprehensive bibliography would hardly serve any useful purpose. The nature of departmental undertakings, like railways, posts and telegraphs, and nationalised banks being different, these have of necessity to be excluded. Divided into two parts, listing of literature has been done subjectwise (classifying general, conceptual, managerial and organisation aspects therein) as well as sectorwise (grouping literature pertaining to each industry like engineering, electronics, etc., under the respective heading) in an alphabetic order. For facilitating quick reference an index has also been appended.

However, in view of the fact that with the multiplication of literature the problem of identification of relevant material has also assumed larger dimension, the reviewer would like to hazard a suggestion to the compilers, i.e., undertaking of a select annotated bibliography on the subject whereby they will be able to render more meaningful service to researchers, policy-makers, academics and those concerned and interested in the growth of the public sector.

The publishers deserve appreciation not only for bringing out the volume neatly but also for venturing its publication, resisting the temptation of making easy money by bringing out some quick-seller in their maiden attempt.

The reviewer has no hesitation, in recommending this volume to individuals as well libraries interested in the field of public enterprises for whom it would serve as a handy tool of reference.

—M.K. GAUR

**Dynamics of Crime: Spatial and Socio-Economic Aspects of Crime in India**  
S. VENUGOPAL RAO, New Delhi, IIPA, 1981, pp. 201, Rs. 100.00.

It takes a man of great courage and learning to venture into the field of Indian crimes statistics. Venugopal Rao has ventured, grappled valiantly with all their shortcomings, and come to conclusions which seem unexceptionable, except that the statistics have failed to prove what is clearly a good theoretical assumption.

Our crime statistics are a matter of contentious political argument. The opposition to government on the basis of statistics tries to prove that the law and order situation is out of control, and on the basis of statistics the government wants to prove that nothing has gone wrong, everything is under control; in fact the police have worked so well that criminals have decided to abstain from crime. Between these two opposite claims is a third

one of the police. They claim supernatural powers of crime control. They give themselves the ability to control any type of crime, and even maintain that the fear that they are able to impose on criminals is so great that all of them slink away into living honourable lives. Several officers candidly admit that the fear is due to illegal methods.

It is admitted on the part of all that crime is improperly registered, and often so badly registered that only one out of ten offences may appear on the books. So we have the extraordinary spectacle of crime figures which are far below the level of ordinary suppression, and crossing over into total irrelevance, while insecurity haunts the streets, and murder and dacoity in the countryside assume spectacular proportions.

Venugopal Rao has attempted to break new ground in his book in treating all the variables in crime separately. His work is not only timely but fills a gap in our criminological literature. He has introduced a scepticism not only on the statistical foundations on which western theories and conclusions are generally based, but on the theories themselves, which do not seem to be applicable to the situation that prevails in this country.

The main contribution of the study—and perhaps it is only a man with deep sympathy and a compassionate heart that could make such a study—is the attempt to find a linkage between anti-social behaviour and socio-economic conditions. Venugopal Rao has analysed the crime situation in the light of five variables—population density, literacy, per capita income, unemployment and the proportion of minorities, that is, scheduled castes and scheduled tribes. Per capita income and literacy show inverse relationship to crime, suggesting that as income level and literacy rises crime tends to decrease. He also contends that population density and percentages of scheduled castes and scheduled tribes display a statistical correlation. But he admits that this correlation is subject to the serious limitation that the whole criminal justice system is aimed at the poor and deprived classes on whom the full impact of law enforcement falls. One important contribution of his study is that he proves that there is a positive correlation of unemployment with the incidence of crime.

The author has brought into clear focus that development alone is not an answer; on the contrary an increase in crime has got to be accepted as part of the developmental process. "When economic conditions get better those who are left behind get angrier." It is this comparative deprivation that has brought into clear focus the axiom that economic development must go hand in hand with equitable distribution.

The author has made an interesting study of the cost benefit analysis of the crime of burglary. He has shown that the total value of property lost in burglary is approximately Rs. 183.6 million. The net profit out of this loss is Rs. 57.75 millions in which each burglar gets his per capita amount of Rs. 420. (The figure of Rs. 420 coincides with the number given to a criminal in India.) It also proves that the lack of cost effectiveness of

imprisonment, and drives one to the conclusion that it is time that we went in for a victim-oriented criminal justice system.

The book has been scholarly structured. The author deals with problems in a thoughtful and provocative manner, and deals with topical subjects like urbanisation, which have a special relevance to crime. He makes the valid assumption that agricultural operations will enable levelling of seasonal fluctuations in property crimes which generally show higher incidence in the July-September quarter.

In my opinion the greatest relevance of this book is its close link to the Indian scene. It is the work of a man who has a clear head and a compassionate heart, and it reaches conclusions which are unexceptionable in the light of experience, although perhaps unproved by statistical analysis.

This heavily researched, logically documented, analytical and thoughtful book is a welcome addition to the field of criminological research.

-K.F. RUSTAMJI



## **Peasant Participation in Latin America and Its Obstacles: An Overview of Conflict-Resolution Strategies**

[This has been made ready as an Occasional Paper in the Institute of Social Studies, The Hague, Netherlands, by Dr. Gerrit Huizer.

[Dr. Huizer is Director, Third World Centre, University of Nijmegen, Netherlands.

[We reproduce the paper here with due acknowledgement to Dr. Huizer and the Institute of Social Studies].

### **INTRODUCTION**

It is becoming almost impossible to deal as a social scientist with the subject of popular participation (which implies participation of the majority of the people in determining the direction of development, and also in the distribution of its benefits) without dealing with the interests opposing such participation and with ways to deal with this opposition. Particularly in Latin America the history of popular participation is one of growing contradiction, conflict and conflict resolution.

Although social conflict and tension appeared at one time to be taboo for the majority of social scientists and planners, developments during the 1960s have shown that this fear is disappearing.<sup>1</sup> Awareness is growing that conflict, rather than being something to be avoided at all costs, can even be a creative force in promoting needed change and effective participation. It is also increasingly recognized that change, and certain conflicts related to it, are almost inseparable. 'To plan for social change very often means to anticipate social conflict and to devise programmes for meeting the problems which arise out of such conflict'.<sup>2</sup>

A crucial precondition to applying a strategy which recognizes existing conflicts and tries to solve them, is to detect the conflicts of interest and injustices within the rural communities. To understand the local situation, it is necessary to identify strongly with the peasants' way of looking at things, the 'view from below'.<sup>3</sup> It is generally found that peasants view their present frustrations in an historical perspective. While development

<sup>1</sup>Erich Jacoby, *Agrarian Unrest in South-East Asia*, Bombay/London, Asia Publishing House, 1961; Gunnar Myrdal, *Asian Drama, An Inquiry into the Poverty of Nations*, New York, The Twentieth Century Fund, 1968, Vol. 1, Part Two : Political Problems.

<sup>2</sup>Irving Louis Horowitz, *Three Worlds of Development*, Oxford University Press, 1966 p. 379.

<sup>3</sup>The 'view from below' approach, as well as the illusion of 'objectivity' cherished by most social scientists and the considerable misunderstanding about peasant life which results from it, have been amply dealt with in Gerrit Huizer and Bruce Mannheim (eds.), *The Politics of Anthropology*, The Hague/Paris, Mouton, 1979.

planners take the present *status quo* as the most logical point of departure for drafting plans and making future projects, peasants usually see it as unjust and retrogressive when compared with better days in the past. Their strongest felt need is not always for new inputs, but rather for a correction of the injustice done to them by the rich and powerful and a restoration of the former balance, e.g., regarding land ownership. Peasants know, much better than researchers and planners, that their situation has worsened and nowadays has less scope for improvement because economic forces, including the market economy and certain development programmes, are detrimental to them, causing indebtedness and loss of land.

The application of a conflict resolution strategy confirms and satisfies the people's feeling of justice, and thus has a strongly motivational effect. Moreover, as scholars of conflict sociology well know, effort and struggle against unjust institutions and their representatives (a 'negative reference group'<sup>4</sup>) provide extra commitment and solidarity to those involved.

An important step towards channelling this potential with the aid of conflict resolution strategies, is to discuss the possible implications frankly and without bias. Some of the methods used by poor peasants in organizing to defend their legitimate interests and to achieve essential reforms, will be discussed below.

The way that acute frustration and rapid deterioration of living and land tenure conditions can bring apparently passive and traditionally-minded peasants to effective mobilization has been demonstrated many times in Latin America. Such mobilization has been mostly in areas where land has been alienated from traditional communities by the introduction of cash crops or other forms of capitalist agriculture, upsetting the often precarious situation of poor peasants. When habitual minimal survival conditions have collapsed, peasants have often reacted strongly, sometimes violently. In the past many such protest movements were spontaneous, localized and not systematically organized on a broad scale, and were often repressed. This led to a situation of apparent submission, slumbering resentment and potential resistance called 'culture of repression', which has prevailed in most of rural Latin America since the middle of the 19th century. This 'culture of repression' has been noted as the reason for the proverbial distrust of peasant towards participation in development schemes, however well-intentioned these may be. In the early 1960s the failure to arouse popular participation in programmes and projects led the United Nations development agencies to conclude that the restoration of more egalitarian land tenure conditions and the redistribution of large estates were preconditions of rural development. Moreover, 'It was observed that legal provisions pertaining to land reform would remain a dead letter if there were no organized peasantry to counter-balance strongly organized vested interests opposed to land redistribution'.<sup>5</sup> That such organizations are feasible and can achieve considerable changes in the agrarian structure to the benefit of the majority of the poor peasants, has been proven with more or less lasting impact, in several countries such as Mexico and Cuba. It is generally recognized, or has been carefully documented, that in these cases land reform came about largely as a result of militantly organized peasant pressure. In Mexico organized pressure reached its goal because a progressive or forward-looking government took up the challenge and was willing to *promulgate and implement* reform legislation against the vested interests. In Cuba oppression forced the organized peasantry underground and thus provoked them to stage a violent revolution, after which effective reform could be carried out.

In Mexico land reform legislation had existed since Zapata led the peasant guerillas in the Mexican Revolution (1910-1919). A dynamic land reform implementation took place between 1934-1940, during the government of Lazaro Cardenas, who came to power

<sup>4</sup>Lewis Coser, *The Functions of Social Conflict*, New York, The Free Press, 1968.

<sup>5</sup>United Nations, *Report of the World Land Reform Conference*, 1966, Doc.E/4298/-rev. 1, New York, 1968, p. 15.

under peasant pressure. Foreign interests in agriculture as well as the oil industry were mostly nationalized in that period and peasants were stimulated to organize in defence of their interests, as part of an overall conflict resolution strategy. Thus the acute conflict of interest between large landowners and landless agricultural workers became the starting point for overall regional development efforts. In the Laguna area of Mexico, for example, after a massive strike by agricultural workers in 1938 over extremely low wages, the government decided to implement the prevailing land reform laws in the area. Landowners were left with what the legal ceiling allowed them (150 hectares) and the remainder the immense estates were distributed among the 30,000 workers who formed collective enterprises in each village for the continued production of cotton (the main product of the area). Until the Mexican Government accepted a policy which favoured private rather than collective enterprise, this scheme was quite successful and gave a boost to the area in other respects, such as education, small industries and trading (as a result of the peasants' higher income) and also some effective women's programmes.<sup>6</sup>

In Cuba organizations were created by peasants from the early 1920s onward, to defend themselves against usurpation of their lands by, mainly foreign, plantation companies and other large estates. Although the efforts of the growing organizations were legalistic and defended existing rights, they were increasingly opposed by the companies and landlords and even by the authorities, and violently oppressed during the Batista regime. As oppression came to a climax and an alternative of armed resistance was offered by Fidel Castro and his guerilla group, the peasant organizations turned their non-violent struggle into an outright revolutionary effort. The peasants joined this movement and land reform was introduced in the liberated areas, finally leading to a victory over the conservative forces. The new revolutionary government could then carry out agrarian reform and dynamic rural development.<sup>7</sup>

In view of such historical lessons, it is surprising that development workers in the Third World as well as those from the metropolitan countries do not give more serious consideration to a constructive conflict resolution strategy which would give bargaining power to repressed groups and enable them effectively to demand needed concessions such as land reform from the dominant elites. Consciously or not, most development workers are probably so much identified with the bias of the elites that they cannot objectively see the deteriorating situation of the masses, to say nothing of a 'view from below'. They recommended palliatives such as more resources for the 'poorest of the poor', but have no proposals for any fundamental change in the current development strategy which has caused sharp polarization between the few rich and the many poor in the Third World (and in the world as a whole). The increasing number of the latter and their worsening poverty are becoming a nightmare to national and international agencies, as dramatically expressed by the president of the World Bank, Robert McNamara in 1973: 'The data suggest that the decade of rapid growth has been accompanied by greater maldistribution of income in many developing countries and that the problem is most severe in the

<sup>6</sup>This case is amply evaluated in Clarence Senior, *Land Reform and Democracy*, University of Florida Press, 1958. See also Gerrit Huizer, "Community Development, Land Reform and Peasant Organization", in T. Shanin (ed.), *Peasants and Peasant Societies*, Penguin Books, 1971.

<sup>7</sup>The author is indebted to the Association Nacional de Agricultores Pequenos, Havana, which supplied him with data on the Cuban peasant struggle through interviews and training material such as Antero Regalado, *Las Luchas Campesinas en Cuba*, Havana, 1973. For a more extended account of the peasant movements in Cuba see: Gerrit Huizer, "The Role of Peasant Organizations in the Struggle against Multinational Corporations: The Cuban Case", in Ahamed Idris-Soven, Elizabeth Idris-Soven and Mary K. Vaughan, *The World as a Company Town*, The Hague/Paris, Mouton, World Anthropology Series, 1978.

'countryside', and 'an increasingly inequitable situation will pose a growing threat to political stability'.<sup>8</sup>

Rather than the continuation of the traditional overall development policy supplemented with more credits to the 'poorest', a development policy should be designed which will rapidly reverse the present polarization trend. This will need radical changes to the social and political structures but, as Raul Prebisch, the then Director of the UN Economic Commission for Latin America, stated 15 years ago, this could be done in a peaceful and orderly fashion. The conflict of interests between the few rich people and the masses of the poor should not be ignored or appeased with palliatives, but should be recognized, analysed and possibly solved by appropriate forms of conflict resolution strategy, with the active participation of the people concerned. Drawing on a variety of experiences from the last few decades in Latin America, various aspects of such participatory conflict resolution strategies will be discussed in the following pages.

### 'ORGANIZABILITY' OF PEASANTS

In spite of various forms of repression the organizability of the peasants is not diminishing in most of Latin America. The more isolated areas are becoming increasingly integrated into the national life through roads and other means of communication. As a result there is a greater impact of the 'revolution of rising expectations' and of the feeling of 'relative deprivation', both of which were the motivators of the important peasant movements in the past. It is not surprising that strong peasant organizations arose in areas of relatively rapid development, where the peasantry either did not share in the benefits, or did so only slightly, or even became its victims. Examples are the States of Morelos and Sonora and the Laguna region in Mexico, the Cochabamba Department in Bolivia, the State of Pernambuco in Brazil, the Convention Valley in Peru, the States of Aragua and Carabobo in Venezuela and the sugar areas in Cuba. These areas were all undergoing significant economic developments, which benefited the peasantry very inadequately if at all. Similar situations are occurring presently on an increasingly large scale in most of Latin America. The modernization of agriculture as well as the increasing impact of capitalist enterprises, literacy programmes, vocational training, infrastructure-building and other similar activities have a direct influence on the 'organisability' of the peasants. It is evident that many development programmes have had little positive effect for the majority of poor peasants because of the adverse social climate in the rural areas, dominated at first by a small elite, and later by a rural middle-class or by large companies. In that context the small benefits for the majority brought about by development programmes, contrasting with the high expectations aroused in the communities where the programmes (and propaganda) are being carried out, may lead to acute frustration among the peasantry, a precondition for peasant organization.

Thus, the emphasizing of projects which lead to rapid increase in commercial agricultural production, and are therefore directed at the larger farmers (for example the irrigation schemes in the north-west of Mexico), had as a side effect, the awakening of land-hungry peasants who built effective rural organizations which were able to obtain important results. In North-west Mexico a commercial and rural entrepreneurial middle (and upper-middle) class was growing, while the great majority of the peasantry, whose expectations were rising considerably, benefited little. Thus a climate favourable for radical peasant organizations was created. It would seem that the hypothesis—increasingly accepted as a guideline for government policies—that social as well as economic development in rural areas is best promoted by the creation of a class of rich peasants which would subsequently lead to improvement of the lot of the peasants through demonstration effects,

<sup>8</sup>Robert McNamara, Address to the Board of Governors of the World Bank, Nairobi, Sept. 24, 1973.

is not realistic.<sup>9</sup> There are indications that it is currently being recognized in Mexico that programmes to raise levels of living in the rural areas must be designed in such a way all people benefit proportionally and that the creation of a new privileged minority must be avoided. The recent policy in Mexico favouring the collective exploitation of the expropriable haciendas, indicates possible solutions. These may, however, be neutralized again or destroyed if cooperative or collective farming become dependent on multinational corporations or 'agribusiness' for the sale of produce, as is increasingly the case.<sup>10</sup>

There is considerable evidence that the forms of socio-economic planning which favour the masses cannot sufficiently cope with pressure from the vested interests (national as well as multinational) of those who feel that their privileged position is jeopardized and who have effective power at their disposal to maintain this position. As a result of this, the impact of most development projects including the well-intentioned ones, has been more favourable to those who were already better off, leading in the rural areas to a polarization between rich and poor.<sup>11</sup>

This fact of increasing polarization between rich and poor has, at times made the peasantry as a group more apt to organize for radical change than the urban workers. While the problems felt by many groups of urban workers can be solved by adaptations and improvements within the present social system (for example wage increases), the most strongly-felt needs of the peasantry, including those dependent on the large commercial haciendas as well as the small farmers who are subject to the rural power elite, can only be solved by a radical change of the power structure. The rigid opposition of the latter to change and the half-hearted development measures taken in many countries merely emphasize this basic issue. In the long run these factors seem to augment the 'originazability' of the peasants and their readiness for participation in the introduction of radical change in the social structure.

Recently, a growing interest exists in the 'revolutionary potential' of the peasantry. This potential is considerable and seems to be slumbering like a volcano. The most spectacular cases of organized peasant revolts which led to some form of agrarian revolution, were the Mexican peasant guerillas led by Zapata (1910-1919) and the syndicates in the Cochabamba Valley, under the leadership of Jose Rojas in Bolivia (1952); both occurred under conditions which are now found increasingly in Latin America in precisely the more developed regions, where rapid changes are taking place. The Mexican peasants were awakened by the expansionist activities of the sugar *haciendados* and their awareness was enhanced by the repression which followed their participation in the beginning of the Mexican Revolution of 1910. The Bolivian peasants were strongly aroused after their isolation was broken in the Chaco War and their awareness of the need for radical change was enhanced under the years of military repression between 1946-1952. Today, however, wars are not needed to break the isolation of the remotest areas, since this is being accomplished through the mass communication media and the building of roads. The integration of isolated areas into the modern economy is sometimes related to ambitious national development and sometimes to the efforts of large landholders, including 'agribusiness' companies, to expand their holdings for speculative reasons. During the mid-sixties, civic-military action programmes have been introduced to open up isolated areas where guerilla forces have operated. Another factor breaking rural isolation is the increased migration to and return from urban areas in an (often vain) attempt to escape the deprivations of rural life. These trends are

<sup>9</sup>See e.g. Charles Erasmus, *Man takes Control; Cultural Development and American Aid*, University of Minnesota Press, 1961.

<sup>10</sup>See Ernest Feder, *Strawberry Imperialism*, Institute of Social Studies, The Hague 1976.

<sup>11</sup>Cynthia Hewitt de Alcantara, *Modernizing Mexican Agriculture*, UNRISD, Geneva, 1976.

favourable for the growth of critical awareness among peasants, a *conditio sine qua non* for organization.

#### GROWTH OF AWARENESS FOSTERED BY OPPRESSION

Social-science literature often indicates as obstacles to the effective mobilization of peasants, the so-called 'resistance to change' and apathy that exists in rural communities, considered to be typical peasant characteristics. These attitudes however, are frequently a natural reaction to what peasants consider to be exploitation by the larger society, in the form of land grabbing, military conscription, attempts to levy taxes, diversion of water resources for the benefit of the landowners and so on. Non-participation in the social institutions imposed by the interests which dominate rural society could be seen not so much as an obstacle to participation in 'development', but rather as a form of self-protection against 'development' which only benefits a privileged minority. This resistance mentality can be and has at times been used as a starting point for a kind of participation, some forms of which are in the interest of the underprivileged groups themselves. To appeal to this potential resistance can be a way of stimulating enthusiastic popular participation among large groups of peasants.

Many factors affect the formation of peasant organizations and can help them to become a dynamic force. Prior to setting up of such organizations it is crucial to transform the potential or actual resentment and frustration of the peasants concerning their present situation, into an awareness of specific demands around which cohesive groups can be formed. It is important however, that these grievances, such as abuses committed by landlords or companies, and illegalities in land tenure, be seen not only as a specific problem to be solved, but as a symptom of the need to change the prevailing social structure as a whole. It is this social structure which has been basically responsible for the climate of violence, that has prevailed for ages in the rural areas of most of Latin America. The growth among the peasants of an awareness that their grievances and needs coincide with the requirements for structural changes in the country as a whole, is an important step in the formation of effective, large-scale peasant organizations.

Some action programmes which tried to organize the peasants at the local or regional level have used the 'creation of awareness' as a first step. In the State of Rio Grande do Norte in Brazil the Servico de Asistencia Rural began a church-sponsored peasant organization programme in 1960 with a 'creation of awareness' campaign ('conscientizacao'). The purpose of this and of a similar 'basic education' movement was to make the peasants aware of the situation in which they live, to promote creative nonconformity and to overcome resignation. Peasants were encouraged to organize representative pressure groups. One technique used was Paolo Friere's 'conscientisation' method, a method of teaching literacy which makes people aware of their situation in society as a whole, by promoting the ability to read and write through group discussion.<sup>12</sup> One aspect of this politicization or 'conscientisation' of the peasants is to explain their situation in terms which give an easily-understandable, and therefore simplified (or even over-simplified) picture of a complicated and often confused agrarian situation. This seems to be the only practical way to create awareness which leads to active participation. This method was applied in Brazil before April 1964 and in Chile before September 1973, until oppressive military regimes made its application impossible. During the late 1960s progressive church groups increasingly adopted such awareness-creation methods in order to help people in rural areas, or slums, to stand up for their rights. When these attempts of working with the poor towards their emancipation were suppressed, at times with considerable violence, some priests and laymen, recognizing the 'class struggle' behind such oppression, created religiously inspired

<sup>12</sup>See Paolo Freire, *Pedagogy of the Oppressed*, New York, Herder and Herder, 1972.

protest movements which were then increasingly denounced as 'revolutionary'. A first initiator was Camilo Torres, a Colombian priest who for many years was involved in non-violent efforts to work for popular emancipation and mobilization. In 1965, after his work was made impossible, he joined a guerilla movement and was killed in an ambush. Among the emancipatory movements of priests which emerged during the following years were, in Colombia the Golconda group and in Peru ONIS (National Office for Social Information). Oppressive measures against such initiatives resulted in the increasing radicalization of the Church, e.g., in Brazil, inspired by Dom Helder Camara, archbishop of Recife. This in turn had a considerable impact on the attitude of the Church as a whole towards the need for popular mobilization in favour of social justice. At the Latin American Bishops Conference (CELAM) in Medelline, in 1968, this need was strongly emphasized and in the following years more and more priests have been active in this field. As a theoretical-reflection upon these activities, the 'theology of liberation' emerged as an answer to this oppression, which is serving economic development of benefit primarily to the rich and middle-class minorities of most Latin American countries.<sup>13</sup>

### LEADERSHIP AND OUTSIDE SUPPORT

While awareness is one precondition to the formation of a peasant organization, another, is the availability of local leaders who are capable of mobilizing the peasants to protest when there is a specific grievance. Local peasant movements generally occur as a reaction to a particularly abusive act by a landlord or company. Able leadership is needed to transform this more or less spontaneous mobilization of people into an institutionalized and formal group, capable of taking up a continuous struggle for justice or for other demands. There have been examples of spontaneously and locally-formed groups gaining organizational strength and spreading by their own strength, as a result of the ability of local leaders. Well-known cases are: the peasant syndicate of Ucurena in Bolivia, the protest movement headed by Zapata in Mexico, the initial stage of the peasant movement in La Convencion, Peru, the peasant leagues in N.E.-Brazil, and those in the Eastern part of Cuba.

There is considerable evidence, however, that help for these movements from sympathetic outsiders such as school-teachers, lawyers, priests, students, urban labour leaders and others is important from the very beginning. This is probably one reason why organizations generally started in areas which were relatively densely populated and close to urban centres. Such urban-oriented allies as those mentioned above have easy access to the places where peasants are being organized. In such areas there is also more chance of members of the peasantry itself being capable of taking up leadership roles in new organizations. An increasing contribution to peasant organization will probably be made by urban-oriented change agents who are already working in rural communities, such as school-teachers and priests. In the past, Catholic priests have frequently had a moderating, if not oppositional effect on representative peasant organizations. As a result of military oppression in several countries as noted above, priests and elements of the higher clergy increasingly recognize the need for radical change in the rural social structure. On several occasions, over the last few years, local priests and sometimes higher members of the clergy have been active in support of peasant organization and at times have unhesitatingly participated or taken leading roles in actions undertaken by peasants to emphasize their demands, for example peaceful land invasions. Rural priests and rural teachers however, need appropriate training and orientation in the intricacies of peasant organization if they are to be really effective. Once they have acted as promoters or catalysts, care should be taken to let truly local peasant leadership emerge to direct the organization. An important factor

<sup>13</sup>The whole problem of 'development' versus 'liberation' is explained in Gustavo Gutierrez, *Theology of Liberation*, New York, Orbis, 1972.

which contributed to the success of some independent peasant movements was the fact that they were regionally organized and adapted to the particular situation of one homogeneous area. In a few specific regions in some countries peasant organizations (federations of local groups) have been able to maintain independence and bargaining power and to defend their interests effectively. Regional organization seems to be most suitable, particularly for the purpose of political bargaining. Frequent contact between the rank and file and the top leadership is possible at the regional level. The fact that interests represented are more or less homogenous, means that the membership can be rallied relatively easily for specific issues and occasions. At the national level this is more difficult to achieve. At that level the local interests can get lost in the over-all structure, which has to represent too wide a range of interests. The building up of local peasant organizations into a federation seems to be a feasible way of guaranteeing effective interest articulation for the peasants regionally.

Peasant organizations generally need sophisticated outside support particularly during their formation and when local movements spread to the regional (or national) level. At that level most of the allies and supporters of peasants have their own form of organization, independent of the peasant movements which they support, and some of these could be helpful as counterweights against the overwhelming influence of the landowners' organizations. In Mexico and Bolivia the teachers' unions have in some areas and at some times, encouraged their members, and guided them, to help in the formation of a regional peasant federation. Elsewhere student groups of one kind or another have done so. Most frequent has been the organized assistance of urban labour leaders, sometimes under the banner of a specific political party. To build up a movement rapidly and on a large scale, urban help, and the assumption of primary leadership by experienced urban labour or political leaders seems essential. The spread of the Bolivian peasant federation across the country in 1953 and the growth of the Federacion Campesina de Venezuela after 1958, indicate the effectiveness of able and sympathetic urban leadership supplied by political parties (such as the AD Party in Venezuela) or populist party-oriented government agencies (such as the Ministry of Peasant Affairs in Bolivia in 1952-1960).

Once an important private or public agency is determined to promote effective peasant organization, this can be done relatively easily. The difficulty of institutionalizing local groups then becomes a minor problem, since they form part of a systematic over-all campaign. Formal institutionalization of the new groups can become, however, a mere paper structure without real strength if it is not based on active struggle and if no visible headway is made in this struggle.

#### URBAN LABOUR SUPPORT

In a number of countries urban workers have, out of solidarity and well-conceived self-interest, seen the need to help organize the rural workers. A better-off peasantry would benefit urban workers in several ways: (a) in most urban areas of Latin America it would relieve the pressure on the labour market resulting from the great influx of unemployed rural workers; (b) an improvement of incomes in the rural areas would considerably enhance the possibilities for marketing industrial products of all kinds. This latter factor has in some countries even encouraged some industrial entrepreneurs to support rural workers' organizations. The industrialists of Sao Paulo have at certain stages given support to the Ligas Campesinas in the north-east of Brazil, which together with other rural unions, gained considerable benefits in 1963-64. Several cases are known where miners and urban labourers with organizing experience have helped the rural workers directly in the creation of viable organizations. One contribution of the urban labour movement could be to create a programme in which their help is systematically applied. This happened in 1952-53 in Bolivia, when miners assisted in the process of creating the Confederacion de Trabajadores Campesinos de Bolivia. During Cardenas' regime in the Laguna area in Mexico, urban

labour organizers in the regional towns helped to create a strong rural workers' organization which obtained important reforms and improvement measures.

Special training courses to help urban labour organizers understand the problems of rural workers would be helpful in this respect. For example, many of the cadres of the Federacion Campesina de Venezuela were originally urban labour organizers who became peasant organization leaders mainly through in-service training. The organization of seminars for urban labour leaders who have experience in, or who have become dedicated to, the formation of rural workers' unions, would be useful. Urban workers' organizations could regularly open their leadership training facilities to the leaders of rural workers. This is already happening in several Latin American countries. International workers' and other organizations have supported such efforts in various ways.

Assistance in the creation of a solidarity fund which would help the rural organizations get through the difficult initial stages of growth and struggle would be another important contribution.

A particularly important contribution could be made by providing certain services to the growing rural organizations which they are not able to provide themselves but which are highly desired by the membership. It is a well-known rural development strategy that people unite more easily for the fulfilment of their most strongly felt needs. One such need, acutely felt by peasants of various kinds, is security of tenure and legal protection. Peasants in many areas suffer severely from current practices of land usurpation by the rich, which are a circumvention or even an outright violation of the existing laws. Therefore one of the most important services urban labour unions, or sympathetic church groups, could render is to make available legal advisers to assist the peasants in defending their civil and other rights, guaranteed by law but not always by local practice.

Legal defence is most effective when it does not deal only with isolated offences but when violations of the law are gathered into categories and presented in bulk to the corresponding courts, e.g., offenses dealing with minimum wages, protection of tenancy, rent regulations, freedom of association, and so on. In this way the need for representation at the local, regional and national level is immediately felt and local rural workers' organizations can from the outset be integrated into a national or regional organization. Since most existing urban labour organizations already work at those different levels and could lend facilities at each, it is relatively easy for them to help create viable peasant organizations. This happened to a large extent in La Convencion, Peru, where there emerged one of the most militant peasant movements of the sixties in Latin America.<sup>14</sup>

Not all urban workers' organizations are adapted to enter the field of rural organization. Organizations with strong branches in outlying provincial towns are better adapted than those concentrated in the capital. In Cuba, sugar plantation and factory workers unions have been helpful on occasions in support of the organization of peasants. In some countries mining areas, situated in rural problem areas, have proved to be excellent focal points for the initiation beginning of rural organizations. Not only is there contact between the mining centres and surrounding villages, but many mine workers, after spending a good number of years in their job, retire to their village or origin. Some of the more effective peasant organizations in Bolivia, Peru and Chile have grown in areas surrounding important mining centres. In some cases, an additional advantage was that the miners had been recruited from the peasant population and thus practically all spoke the indigenous language.

One danger involved in the formation of a strong link between urban and rural workers' movements is that the urban workers may dominate the peasant organizations and utilize

<sup>14</sup>A good account of above mentioned happenings can be found in a collection of newspaper articles from that period, Hugo Neira, *Cuzco: Tierra y Muerte*, Lima, Populibros Peruanos, 1964.

them for objectives which serve urban labour and its political impact rather than serving the peasantry. This has happened to some extent in Venezuela.

### FAVOURABLE FACTORS AND OBSTACLES

Past experiences demonstrate that growing peasant organizations are able to and will gain strength through the active defence of their rights against the repressive climate maintained by a foreign or national agricultural power elite, if the Government does not actively support this elite. Naturally if the Government's law enforcing agencies were to actively support the peasantry it would be much better.

In most countries it is, therefore, desirable to insist on the implementation of existing laws rather than immediately demanding new laws more favourably disposed towards the peasants particularly during the period of building up the strength and cohesiveness of peasant organizations. In this way there would be no opposition from the many groups in the country which have a relatively neutral regard for the need to bring about drastic structural changes in rural areas. Some of these groups may even be content to see that laws and values which they cherish are effectively implemented. The precise content of laws regarding peasant organization and rural labour conditions, seems to be of relatively less importance than how effectively they are implemented and the spirit in which this is done. Even when laws on peasant organizations are designed more as an obstacle to organization than as an encouragement, effective peasant organizations can arise. The peasant leagues in the late 1950s Brazil created a structure of civil associations for the defence of peasant interests, which did not fall under the labour law and did not encounter special difficulties over legal recognition. Many effective peasant organizations existed without any legal recognition at all, such as the Union General de Obreros y Campesinos de Mexico, an important factor in the acceleration of the Mexican agrarian reform programme after 1958 because of its real political bargaining power.

Official tolerance, not to mention active encouragement, of basic civil rights such as the freedom of association, is however, rare. This right is included in the constitutions of most countries and is confirmed, in many, by the ratification of the corresponding ILO Conventions. The right of freedom of association is however, frequently interfered with in Latin American countries. In most cases this is done by the landholding interests, often supported, openly or covertly, by national or local authorities. For example, on many estates peasants are not allowed to form associations to represent their interests. If this does happen, landowners dislodge or evict them. Although the international machinery regarding infractions of freedom of association has been able to deal with some cases, complaints from local organizations about the ineffectiveness of procedures dealing with their cases are frequently useless.

The obstacles faced by peasant organizations in most Latin American countries have become tremendous during the last few years. It is increasingly difficult to imagine orderly and effective organization, applying pressure peacefully, given the lawlessness and violence, maintained in the rural areas by the agricultural elites, often with the collaboration of the police or military forces. The methods used to oppose peasant organizations fall in most countries under criminal law, but are not effectively dealt with as such.<sup>15</sup> When, out of despair, the peasants, defend themselves with similar acts of violence however, penalties are heavy and the *status quo* is restored with methods that in some instances come close to civil war. Severe warnings by prestigious international agencies regarding the fatal long

<sup>15</sup>In the last few years, serious cases of infractions of basic human rights, including assassinations, have been well reported by Amnesty International *Yearbook of Political Prisoners*, 1976, 1977; *The Republic of Nicaragua, An Amnesty International Report*, London, 1978; Roger Plant, *Guatemala, Unnatural Disaster*, Latin America Bureau, London, 1978.

term consequences of employing such repressive policies rather than solving the problems, have as yet found little response.

It would not be justified to say that in the whole of Latin America the personal security of those engaging in representative organization is threatened. There is considerable variation from country to country and area to area, depending on the orientation of national or local authorities and the attitude of the agricultural elite. While in some areas, as at present in most of Brazil, Guatemala, El Salvador, Colombia and in some regions of Mexico, the number of peasants and peasant leaders threatened and assassinated is alarming, elsewhere such acts happen either sporadically or not at all.<sup>16</sup> The kind of self-defence which seems to be needed as part of the peasant organization and/or agrarian reform process, depends on local circumstances. In some cases, such as in the north-Western development region of Mexico, where a simple threat of reprisal in case of assassination of peasant leaders was sufficient and where other forms of direct action applied were conspicuously non-violent and symbolic, the authorities reacted with considerable prudence. In more isolated areas, however, things are different and some measure of armed peasant self-defence may be the only way to counteract the permanent state of violence or threat of violence under which the rural population lives. In some areas where landowners, in circumvention of the law, have their own guards who terrorise the peasants, the most strongly felt need around which people have organized has been the formation of self-defence groups. In some countries, such as Mexico in the thirties and Bolivia in 1952, Governments have even helped peasant communities to form militias which were supplied with arms and became sufficiently effective to defend the peasants and their families against the aggressive activities of the landowning elites (including foreign companies), and their 'white guards' or 'pistoleros'. According to Government reports from that period, the formation of peasant unions and the implementation of agrarian reform in Mexico under President Cardenas (1934-1940) was accomplished only as a result of the fact that during those years, 60,000 rifles were distributed among peasants who were organized into rural defence units, supervised by 200 loyal army officers. The peasantry itself requested this during meetings of regional or state level peasant organizations. While not generally to be condoned, the possession of arms and the ability to use them as part of the bargaining process as a counterweight to violent threats from landowners, considerably encouraged the active participation of the peasantry in carrying out the agrarian reform process as stipulated by the law. Unlawful opposition by landowners was thus neutralized. In some countries the traditional elite, partly forced by pressures from below supported or encouraged by the more progressive elite groups, have discovered that it can be in their own interest and benefit to participate in new developments. They have come to a *modus vivendi* with the new and more dynamic elites and even with those who more or less represent peasant interests. In those cases, agrarian reform could to a large extent be carried out and peasant organizations become part of the normal political institutions.

However, this *modus vivendi* between old and new elites in Mexico later led to new problems and obstacles as representative peasant organizations became increasingly controlled by the new elite. The peasant organizations which had been helpful in the struggle between the new and the traditional rural elite, to the benefit of the former, could later be neutralized and kept in a state of tranquility by the strategic granting of a minimum of limited benefits.

While the National Peasant Confederation (CNC) created in the thirties and related to the official political party (PRI) became increasingly conformist and even corrupt, alternative and more radical organizations emerged such as the Union of Peasants and Workers (UGOCM) in 1946, the Independent Peasant Federation (CCI) in the early sixties and several smaller local organizations and movements. Although the leaders of these organizations have been persecuted and jailed many times, the new impulses by the Mexican government

<sup>16</sup>See some of the Amnesty International reports mentioned before.

to agrarian reform in the course of the last decades have always been given as a response to mobilizations organized by these militant organizations.<sup>17</sup>

In some instances elements of the landed elite have broken with their class and headed or supported movements to bring about radical change in the *status quo*. Francisco Madero, in the Mexican revolution, Francisco Julio, in the Brazilian peasant leagues, and Fidel Castro in Cuba, are outstanding examples. It would be possible to try to direct efforts more systematically, towards increasing the number of dissidents among the traditional elites as part of the strategy of promoting peasant organization. Some of the younger elements are probably willing and eager to accept new constructive roles in which they can find self-esteem and status and which are more in step with dynamic development needs than the traditional roles of their fathers. One could imagine that many of them could be made to feel that the fulfilment of new roles is more satisfactory than status derived from inheritance and adherence to outdated patterns of seigneurial life. So far, few systematic efforts have been made to tap the potentialities of disconformity and adventure of such young elements.

Some military governments, after many years of oppressive activities against peasants have chosen to channel and guide, rather than continue to repress, representative peasant organizations in their struggle against a traditional rural elite. The Peruvian 'revolutionary' military government of Juan Velasco Alvarado which came to power in 1968, implemented a kind of land reform which some strong peasant organization had been demanding. Simultaneously the Government created local peasant leagues all over the country through SINAMOS (National System for Social Mobilization), which were then brought together in a National Peasant Confederation (CNA). Between 1969 and 1975 the existing contradictions and conflicts between rich and poor in the rural areas were utilized constructively to build a strong popular movement.<sup>18</sup>

It should be noted that these progressive policies were to a large extent a response to highly militant peasant organizations which had emerged in spite of severe oppression in some areas, for example in the Convencion Valley in Cusco department. A massive concentration of peasants had gathered in Huyro, in this valley, as part of a protest march on its way to Cusco. In order to halt this mobilization a representative of the military came to announce, only a few weeks before the *coup dietat* of October 1968 which brought them to power, that the government would be changed and a new policy of reforms designed, in accordance with peasant demands.<sup>19</sup> Such a policy is only possible if the government is willing to take the risk and solve existing contradictions and conflicts and oppose the vested interests of the traditional elite, the agribusi and other corporations, such as W.R. Grace, Gildemeister and Cerro de Pasco. In Peru a relatively radical land reform programme was carried out, distributing most of the large landholding to peasant cooperative enterprises and communities.

In Colombia from 1968 onward a similar effort to organize peasants in a more or less controlled way through the Association of Colombian Peasants (ANUC) was undertaken by the Lleras Restrepo government. When promised land reform measures which the peasants had been demanding for years, were not effectively implemented however, the ANUC radicalized and organized land invasions on a large scale in disputed areas. The

<sup>17</sup>Judith Adler Hellman, *Mexico in Crisis*, New York, Holmes and Meier, 1978, particularly chapter 4, p. 95 ff.

<sup>18</sup>For information about the first years of the Peruvian land reform after 1969, see: Howard Handelman, *Struggle in the Andes. Peasant Political Mobilization in Peru*, Austin, University of Texas Press, 1975; for an evaluation of the whole reform see Jose Matos Mar and Jose Manuel Mejia, *Reforma Agraria: Logros y Contradicciones 1964-1979*, Instituto de Estudios Peruanos, Lima, 1980.

<sup>19</sup>See Gerrit Huizer, "Poor and Rich Peasants in the Tea Cooperatives in La Convencion, Peru" (forthcoming).

government then tried to counteract the movement, but ANUC had gained sufficient strength to continue its activities and continues to do so in spite of serious oppression.

One danger of official favour is the co-option of leaders into the ruling elite once their organization has gained some strength. The 'buying' of leaders and organizations is a frequent practice and has neutralized many representative groups which could have been instrumental in bringing about structural change. Sometimes the organizations are integrated into a political party which is in reality much less change-oriented than its declaration of principles and official statements indicates. Some parties modernized their agrarian policy considerably once they had obtained sufficient control over the organized peasantry. Elsewhere, national or international bodies gained control over growing peasant organizations by aiding them financially or by providing them with training programmes and then pressing them to moderate their policies.

This happened for example to CEDOC in Ecuador, a strong peasant and labour organization of social Christian origin, affiliated for many years to CLAT (Latin American Labour Confederation). CLAT, strongly supported by funds from Christian-democratic organizations in Europe, stopped channelling this support to CEDOC when the latter accepted a more radical policy and began to undertake joint activities with the Communist oriented trade unions in that country. A split was provoked within CEDOC but the majority, particularly the peasant federation FENOC, accepted the independent line even while this meant the cutting off of financial support through CLAT.

One way to neutralize such influences is for peasant organizations to achieve and maintain financial independence. The best example of this approach is the Union Central de Sociedades de Credito Colectivo Ejidal of the Laguna region in Mexico. This peasant organization which protested effectively against official corruption from its initiation in 1940 onward, has been under constant attack by public and private bodies, but manages to maintain a nucleus of cohesive groups because it has economic independence. This independence comes from the considerable contributions paid by the membership, additional benefit of which is that the membership has a sense of control over its leaders. Another source of contributions is a 1 per cent levy on commercial dealings which the union imposes, in cooperation with its local member organizations on their produce. It appears that a proper combination of cooperative economic activities with syndical action can enhance the chances for survival of peasant organizations. Among the many forms of non-conventional cooperatives presently existing in the developing countries, this combination of trade union and cooperative provides a worthwhile field for experimentation.

Credits and cooperative technical advice to small independent and precariously existing organizations could aid the survival of many worthwhile groups, threatened by landlord opposition on one side and neutralizing economic, political or financial control on the other.

#### **LAND DEMANDS AS THE CATALYST TO PARTICIPATION**

In most cases organizations are originally formed around such issues as better tenancy conditions, higher agricultural wages, or the abolition of unpaid (and illegal) semi-feudal services which have to be rendered to the landlords. It has apparently been easier to organize around concrete grievances, felt daily and continuously, than around large-scale changes such as agrarian reform. When, through organized action, some specific benefits are obtained, the peasants may feel stronger and demand additional benefits. In general it was the intransigence of the landowners and their refusal to negotiate and give in to moderate demands which made the peasants more radical and demand the lands they worked.

One effect of meeting the demands for legal minimum wages and the abolition of unpaid services is that large land-holding becomes less attractive to the owners. In spite of the rudimentary agricultural techniques practiced many haciendas were economically

profitable, because of the exploitation of the readily available human resources which were more or less tied to the land. Once free services disappear and the labour force has to be paid a normal wage, the traditional hacienda system can become a burden to the owner. This is probably one reason for strong landlord opposition against changes in labour conditions. In 1938 the re-distribution of most of the cotton estates in the Laguna area of Mexico was provoked by the fact that the landowners claimed they could not cede to any of the demands regarding wage increases and better working conditions.

In some cases, radical demands and action on the part of peasants, was a direct reaction to landowners or companies attempting to expand their properties through evicting the peasants from lands which they had possessed or worked for years. In other cases it was the refusal of landowners to negotiate or even consider the legitimate demands of the peasants with regard to tenure conditions or wages, that caused the radicalization of the peasants. The agrarian reform issue did not originate as a well-defined policy or as an integral part of national economic planning, but rather as a reaction against various forms of abuse inherent in the latifundia or hacienda system. This was true, for example, in the Convencion Valley in Peru.

Elsewhere the reform issue arose because lands were legally registered as the property of large owners, who had taken over the lands of the indigenous communities, either recently or in the second half of the nineteenth century, by legal tricks of usurpation. These communities frequently have titles dating from the colonial period which they value more than laws introduced later, which are disadvantageous to communal property. In some countries large estates are owned by foreign companies or individuals in contravention of the law and are rightfully claimed by the local peasants for land distribution.

Nowadays peasant organizations generally have as a priority, demands for agrarian reform and land redistribution as these have become increasingly legitimate issues, recognized and guaranteed by legislation in most countries. These priorities are generally thoroughly explained and discussed in meetings of assemblies at the local level, and particularly in congresses, rallies and conventions held at a regional or national level. Such events, which are allowed in some countries such as Colombia, Mexico, Peru but not in others, can exert strong pressure. Sometimes these congresses, (some of which are attended by hundreds or even thousands of peasants from an entire area), file out into the streets of the town in which they are being held, thus impressing on public opinion their potential strength and bargaining power. A march of a great number of peasants demanding land reform is an important way of applying pressure. Meeting in large numbers also has a bolstering, psychological effect on the peasants themselves; it gives them a sense of solidarity, power and self-esteem which they generally have never previously experienced.

Such marches can become demonstrations when there is an acute issue at stake, and where slogans expressing that demand are carried. A similar effect can be achieved by the organization of a 'caravan', as has been done on various occasions in Mexico. On several occasions, a few hundred peasant representatives of the Laguna area travelled in a large number of trucks to the capital and on their way drew so much public attention that, soon after arrival, a representative committee was given audience by the President to discuss and partly resolve their urgent demands. Such spectacular forms of bargaining are important since in most countries bargaining through negotiations by representative organizations is not very effective. One reason is that a great number of under- and unemployed people are willing to accept conditions lower than those in dispute. Under these circumstances demands can be expressed most effectively by various forms of 'political bargaining'.<sup>20</sup> Through massive demonstrations of such proportions that they threaten to upset the normal routine of life, protesting groups try to coerce the Government so that it will intervene in their favour on disputed issues or strongly-felt needs. This strategy has been applied by peasants

<sup>20</sup> See, for example, James L. Payne, *Labour and Politics in Peru. The System of Political Bargaining*, Yale University Press, 1965.

in La Convencion, Peru, by the ANUC in Colombia, and in Mexico.

One of the most important and immediate effects of such organized action is the respect gained by allegedly inert and humble groups from those who consider themselves superior. This again has considerable psychological repercussions for the peasants themselves in the growth of feelings of self-respect and esteem.

Depending on the conflict to be dealt with, another tactic applied in many countries, is the sit-in. Officials find it difficult not to attend to demands presented to them when a few hundred peasants quietly occupy the office of a government agency, their leaders asserting that they are not going to leave until a solution has been found to the problems. Large groups of peasants have been known to sit for days in or in front of a particular office until they were duly heard. If the problems under consideration are very serious, such sit-ins can easily become demonstrations in which the peasants use placards to mobilize public opinion in their favour. This form of pressure has much in common with the bargaining tactics used by urban unions.

Sometimes a sit-in in front of a court where litigation cases are being dealt with can pressure judges, often landlords themselves, to decide in favour of the peasants in cases where colleague landlords are violating the law. Even neutral law enforcement agencies may need some demonstration of peasant bargaining power to counter balance heavy pressure from the established rural elite to tolerate such illegal practices as exaggerated tenancy rates, feudal or 'bonded' labour relations, land alienation, etc. Peasant organizations are generally well aware that their demonstration of power needs to be peaceful if it is not to meet ferocious repression.

Victory in the case of the expropriation of the Galileia estate in 1959 in Pernambuco, Brazil, after several years of organized struggle, meant a strengthening of the peasant leagues as a whole, as was the successful outcome of a large-scale strike in 1963, organized by the newly-created rural syndicates, both Catholic and government-sponsored, in conjunction with the leagues. After the initial success in most countries of systematic actions, new representative rural organizations were able to gain strength rapidly by bargaining for the implementation of existing legislation with regard to the formation of unions minimum wages and the abolition of service obligations. An important form of bargaining used by peasants in cases of land usurpation (at present or in the past) has been the peaceful invasion, occupation or 'recovery' of land. Most official agrarian reform projects have been started in areas where the peasants had already successfully applied this method of effective and/or symbolic occupation, as for example, the Algoan and Cerro de Pasco Corporation estates in Peru, the Cananea Cattle Company estate in the north of Mexico, several large plots of land along the Magdalena river in the Atlantico Department of Colombia, the many haciendas in the most densely-populated states of Venezuela, as well as the generalized agrarian upheavals which were incentives to reform programmes in Mexico and Bolivia.

Although the legislation of some countries explicitly states that lands which have been invaded by peasants will not be distributed under the land-reform programme, in the light of historical facts this does not always appear to be a realistic approach. So far almost all efforts towards agrarian reform have been a direct result of methods, used by organized peasants after more institutionalized forms of action had proved unsuccessful. Ways should be sought to use this tactics in a constructive manner to promote necessary social change.

The tactics applied in land invasion or occupation vary from one case to another. If peasants, continuing to occupy a plot of land they have worked on for years, refuse to continue to give unpaid labour to the owner or to leave at his request without being paid proper compensation for improvement made, it can hardly be called an 'invasion'. However, this is often done by the owners and by the press which supports them. In many countries in such cases, the peasants officially have the support of the law but not always of those who enforce the law.

The occupation and cultivation of unused public land by land-hungry peasants, 'squattting', has been justified by law in several countries. This becomes a problem when large

land-holders claim to have obtained property titles to areas in which these plots are located and seek to profit from improvements made by the squatters. In such cases the squatters are dislodged and, at times, return to neighbouring areas or to the same region. This happened on a large scale in Cuba before 1959.

Indigenous communities have at times effectively occupied lands to which they have age-old titles after many years of unsuccessful litigation in the courts. Such occupations consisted generally of the building of symbolic living quarters on the 'recovered' lands by members of the community and of ploughing the land or grazing their cattle on it. To brand such acts as violent, as is often the case, and to try to restore the previous *status quo*, which is often in contravention of the law, by the use of police or armed force has cost the lives of many peasants and has not solved the basic problem.

The authorities could tolerate peaceful and symbolic occupation, and subsequent cultivation, of land not fulfilling its 'social function', as a means by which landless peasants are able to express their demands. The legal implications should be carefully studied and in order that certain rules should be established to institutionalise this method as a guarantee against misuse. Similar procedures have made the strike one of the accepted means of bargaining in urban labour conflict. It seems to be important for several reasons that the over-all agrarian conflict that has been slumbering for centuries should come into the open in an effectively channelled way. The suppression of protests of peasants against strongly felt injustice can lead to violent explosions, as has happened in the past, when spontaneous and unorganized revolts occurred in reactions to excessive abuses. The history of Latin American countries includes several cases where the peasants, out of vengeance, ransacked houses and even killed landowners and their families. The number of peasants killed in reprisal was however generally higher.

Most land invasions and similar acts however, were not spontaneous flare-ups of rural violence but rather organized efforts to achieve a significant change in the social structure. In these cases destructive violence was minimal. The simple fact of getting the land, through peaceful occupation, seems to have been sufficient 'vengeance' for the peasants. Landlords were sometimes warned in advance so as to give them an opportunity to go to their town house, thus minimizing the chances of destructive violence during the occupation, as happened in the Bolivian land reform in 1953. Peasant organizations which have had experience of peaceful and/or symbolic invasions of unused or under used land, might well contribute to a proper institutionalization of these tactics by analyzing and explaining their experiences. This is particularly important since it is the lack of such institutionalized means of pressure for agrarian reform which appears to have led either to stagnation of reform programmes or to acute rural unrest.

Similarly, in the initial stages of the trade union movement in Europe, activities undertaken in support of the legitimate demands of workers were easily branded as 'illegal' or 'subversive', without a realistic appraisal of the viewpoints and interests of both partners in the conflict being made. There is a great need to institutionalize the various tactics used in conflicts in rural areas, as is the case with similar phenomena in urban and industrial environment about which extensive literature exists. The implications of peaceful and orderly occupations of idle land (which peasants can legally claim according to agrarian reform laws) should be given careful study, as was given to the strike and other tactics related to collective bargaining in industry. While the strike is now part of the constitutional rights of workers in many countries, the tactics used by peasants to emphasize their demands have been made illegal and punishable by several agrarian reform laws.

This does not seem to be very realistic, since in several cases the same governments that have made land occupations illegal, have *de facto* acceded to such tactics. It might be argued that making the symbolic and peaceful occupation of idle or extensively used latifundio land a legalized method by which peasants can display their bargaining power and the strength of their demands, is a more secure way to maintain ordered procedure in the rural areas than by the ruthless suppression of this approach, which often leads to violence.

It is often claimed that not suppressing conflict may also lead to disorder and violence. The forces in conflict can, however, be channelled and effectively directed towards a solution before they become destructive. The escalation of peasant demands within the framework of existing legislation, given the intransigence of the group likely to lose some of its privileges if the present laws were to be effectively implemented, could bring about effective restructuring of the prevailing system without destructive violence, as happened in Peru (1968-75). In the latter case, however, there was considerable resistance, particularly from foreign owned estates, such as the sugar plantations in the coastal region, an area where peasant struggle has been endemic since the beginning of this century.<sup>21</sup>

### PARTICIPATION IN AGRARIAN REFORM

Not only the case of Cuba, where one can speak of an outright agrarian revolution but also the cases of (non-violent) agrarian reform, clearly show that agrarian change is not merely a technical, economic or social problem, but is also a political one. Agrarian reform has been part of an overall political competition or struggle in which various groups have competed for power and control.

The Mexican reform process, which has been going on for over fifty years, illustrates the ups and downs of political tide. At times when the peasants had political power or 'power capability' (threat of power) through direct action, land distribution proceeded at considerable speed and significant gains were made. This was most clearly the case with the groups led by Zapata in the initial stage of the Mexican reform and also with the peasant movement, headed by Jacinto Lopez, in the north-western development areas in 1958. At other times the peasants gained influence because the Government needed them for support, as was the case in the Cardenas period (1934-1940), when Mexico became politically a more or less stable nation.

The situation was similar in the other countries with large-scale reforms, Bolivia, Venezuela and Peru. In Bolivia, after years of repression, the peasant organizations in some areas were so radicalized that they almost forced the reformist government that had come to power to implement a radical agrarian reform programme. This consisted of *de facto* distribution of most of the available land in less than a year, radically changing the rural power structure, and giving the reformist government the stable base of popular support it needed. In Venezuela, after 1958, something similar happened but in a much less radical way. The government approved an initially effective land reform because it needed the electoral support of the peasants, who were organized as a political clientele. The participation of the peasants in the agrarian reform process was very institutionalized.

In countries which had a more or less vigorous agrarian reform programme, Mexico, Bolivia, Venezuela and Peru (and also Guatemala in the early fifties and Chile before 1973), legal provisions existed which closely linked the agrarian reform process to the formation of peasant organizations. A petition for land generally could only be made by an organized group of peasants, an 'agrarian executive committee', a syndicate or a union. In most cases these groups represented a certain community or a group of peasants which were tied to, or lived near a particularly large land-holding, and the latter was the object of the request for land distribution. In some cases, after the land-holding had been assigned to the group as a whole, the group was charged with its distribution among the individual peasants. In other cases the distribution was planned in advance. In the main, however, the existence of an organized group and a few elected persons who, as representatives of the whole group, could deal with the authorities facilitated the actual distribution process considerably.

<sup>21</sup>See Mario A. Malpica, *Biografia de la Revolucion*, Lima, Ediciones Ensayos Sociales, 1967, pp. 527-32. About the Peruvian peasant mobilization see also Howard Handelman, *Struggle in the Andes. Peasant Political Mobilization in Peru*, op. cit.

In such cases one of the functions of the peasant organizations is to apply various types of pressure on the government agency in charge of the land distribution, for a rapid execution of the agrarian reform process. When an agrarian reform programme is vigorously executed, there is little need for such pressures. Then the main function of the organization can be to neutralize, at a local level, the opposing forces of those landowners who try all of the legal and sometimes illegal, means to halt the process. Landlords can try to intimidate the peasant group sponsoring the petition, or threaten or corrupt government officials sent to initiate the land distribution procedure. As noted above, in Mexico and Bolivia it was necessary for this reason to distribute arms to the peasant groups during the most vigorous period of land distribution, so that they could protect themselves against the violent opposition of landowners, who threatened not only them, but also on occasion, the government officials.

One effective way to avoid violence and to bring about a rapid and drastic transformation of the rural social structure is the approach followed in Bolivia. In 1953, the peasants were organized into syndicates in a sweeping campaign which covered almost all the densely-populated areas of the country in a short period. The peasants were declared owners of the plots they had been occupying (in exchange for labour) on the haciendas. They also became provisional owners of most of the parts of the haciendas which they had been working collectively for the landlord. Under the reform legislation the part which the landowner could keep for himself would be legally determined at a later stage. The fact that most landlords, fearing the vengeance of the peasants whom they had abused for years, fled to the cities in expectation of future title arrangements, made the transfer of property rights easy. The local syndicates took over the management functions on the estate, relatively smoothly and without the violence which characterized this procedure at some stages in Mexico. In that country the landlords remained in power while the legal procedure to transfer land to the peasants was in process, whereas in Bolivia the peasants took possession of and had effective power over, the land which according to the law would legally be theirs in the future. An additional advantage of this drastic method is that a fervour of enthusiasm is created among the peasants which facilitates the acceptance of new production techniques and similar necessities which have to accompany agrarian reform.

In Mexico this was very difficult on the whole. During the long years that reform procedures were being carried out the landlords continued to use the land and found many means of opposing the peasants who claimed it. Many cases were reported in which peasant leaders were threatened, imprisoned and even assassinated while the procedures were being carried out. The landlords remained in effective possession of the land which, in most areas, implied that they kept effective political power. This explains in part the climate of lawlessness and violence which continued to prevail in some rural parts of Mexico in spite of the tremendous progress made in the land distribution programme.

In the initial stages of the reform in Mexico, and particularly in Venezuela, peasant groups accelerated the agrarian reform process in a haphazard way simply by occupying the lands which they claimed, in accordance with promised or actual legislation. The juridical aspects of the distribution were generally arranged later, but during the sometimes time-consuming process of legal expropriation and transfer of property, it was possible for the peasants to cultivate the land. When the government has decided to carry out land redistribution but where the rural elites create all kinds of obstacles, including illegal actions and violence, the orderly occupation of the lands to be distributed, supervised by the police if necessary (as happened in some cases in Venezuela), could help to ensure the effective and peaceful execution of the programme. Once members of the rural elite see that the reform will be carried out in spite of their opposition, they sometimes become willing to facilitate the process. In Venezuela, in several cases, the landlords were able to obtain a quick transfer of their property and reimbursement by the agrarian institute, by arranging with the peasant unions an advance occupation of their estates. They saw more benefit in transferring their property rapidly than in fighting a battle which they knew would be lost in the long run.

An additional advantage of organizing some form of direct action in relation to the agrarian reform process is the fact that it helps to strengthen the cohesiveness of the peasant organization and its ability to face the many post-reform problems more effectively. It is not surprising that CORDIPLAN, the Venezuelan national community development programme, chose two pilot projects in precisely those places where strong peasant organizations existed and which had, at one stage, organized land invasions to accelerate the land reform process.

Whatever the exact procedure, particularly at the local level, the government officials concerned need to utilize an appropriate approach. Officials who come from urban middle-class backgrounds often need considerable training to be able to deal with peasants in other than a paternalistic manner which causes resentment and makes dialogue impossible.<sup>22</sup>

On the other hand, peasant leaders would benefit considerably from training in the technicalities of the reform process. The agrarian reform process is generally considered to be essentially bureaucratic. The peasants' willingness to collaborate in post-reform efforts would be enhanced by promoting their participation from the very beginning in the reform itself. In Bolivia, in a number of cases, the peasants have helped competent officials with preliminary field surveys carried out as part of the expropriation process. Officials would benefit from the peasants' knowledge of the environment and thus more easily avoid mistakes.

At the regional, and particularly at the national level, the participation of peasant representatives in the technical bodies responsible for the agrarian reform, exists formally. In Venezuela there are two peasant federation representatives in the five-man board of directors of the Instituto Agrario Nacional. In Mexico, however, where land distribution has been going on for about fifty years, there is practically no peasant representation at the policy level. Such representation would be most helpful in the deciding of priorities as to where and when to distribute lands most urgently and also where the need and pressure of the peasants for land is strongest. In the planning of the reform programme at the national level it is difficult to combine technical criteria with social needs, but this would be facilitated by effective participation of various peasant representatives in a more than formal way. It is also important to ensure that the peasant organization leaders who function at this level really represent the peasantry. In several cases the top-level posts in such organizations have fallen into the hands of politicians who use their key positions to neutralize or even control the peasants' demands rather than represent them effectively. Good communication between the local and the national level of peasant organization is of great importance and can facilitate coordinated action. Where symbolic occupations of estates take place the authorities at the national level may be warned in advance; the proper contacts made with the law-enforcement authorities, who could then inform their local representatives on the issue. It is well known that law enforcement at the local level is often partial and is to some extent controlled by the rural elite. By avoiding violence and other problems such coordination can contribute to effective action, as happened in various cases in Mexico, Venezuela, Peru and in Chile (before 1973). The case of Chile demands a special study, but a few remarks can be made. In that country peasant participation has been minimal for a long period and has existed only in a few areas which were either typically indigenous (Mapuche Indians), or where mining was practised by workers who also practised agriculture (the Norte Chico region). In those areas the communist-socialist Federacion Campesina e Indigena de Chile (Peasant and Indian Federation of Chile) had its strongholds.<sup>23</sup> During the period of government by the Christian-Democrat president Frei (1964-1970) the INDAP (National Institute of Agricultural and Livestock Development)

<sup>22</sup>See Gerrit Huizer, *Rural Extension and Peasant Motivation in Latin America and the Caribbean*, F.A.O. Occasional Paper no. 2, Rome, July 1973.

<sup>23</sup>Concerning the Chilean peasant movement see Almino Affonso, c.s., *Movimiento Campesino Chileno*, ICIRA, Santiago de Chile, 1970, vol. I and II.

strongly contributed to a government sponsored peasant organization campaign, preparing the peasantry for the officially promised agrarian reform programme. The progress made by this programme was too slow, and benefited only a quarter of the 100,000 landless peasants to whom land had been promised. As a result, in 1970, there was an increase in the votes for the more radical reform programme of Salvador Allende, who was elected president. This latter programme, implemented between 1970 and the overthrow of the Allende Government in 1973, was accompanied by considerable peasant participation and brought about a considerable transformation of the rural power structure.<sup>24</sup>

### THE ROLE OF "ANTI-PARTICIPATION STRUCTURES"

It is outside the scope of this article to analyse the coup d'état in Chile in 1973 which radically reversed the trend of increasing popular participation in that country. The national and foreign powers behind this change could well be seen as an expression of 'structures of anti-participation', which should be taken into account when dealing with participation.<sup>25</sup> The years of the Chilean experiment under the regimes of Frei and Allende, and also the various experiences in peasant participation in Latin America touched upon in this article, demonstrate particularly that when peasants become restless because of the changes and frustrations resulting from 'modernization', their energies can be channelled constructively through organization, by the utilization of appropriate conflict resolution strategies. Bold national or local government agencies are needed to support or tolerate such an organization, and to neutralize the often violent attacks by the traditional and modern economic elites. In most cases, however, the peasants' efforts to defend their interests in an organized way are repressed, a result of 'structures of anti-participation' as is happening today in Chile and in an increasing number of other Latin American countries. This sometimes happens as recently in Peru) as a result of pressure from broader economic forces interested in a good 'investment climate'.<sup>26</sup> In such cases the governments will gradually lose their credibility and legitimacy. The majority of the peasants may become increasingly aware of the need for a revolutionary overthrow of the prevailing political system, if necessary by violence. The growth of this awareness may take years, as in Cuba, where in the end, national and foreign elites were eliminated altogether. It is hard to foresee whether, in the long run, other countries with strongly repressive governments will go the same way. There is evidence that the peasant struggle for land develops more vigorously when much land is owned or used by foreign companies, as was true of Cuba. In some of these cases in particular, the struggle of peasants has been quick to evolve from relatively weak efforts to gain certain concrete benefits, to more or less revolutionary action. This kind of evolution was not the result of a clear theoretical consciousness on the part of peasants and workers of the role of such corporations, but was a reaction to the rigid and rude forms of exploitation and domination being maintained by these corporations at all costs. Examples are: the struggle of the peasant workers in the Laguna area of Mexico in 1938 against the Anderson Clayton and other cotton producing and trading companies, leading to the almost complete expulsion of these companies from the region; the land invasions organized by the Union General de Obreros y Campesinos de Mexico (UGOCM) in 1958 against the Cananea Cattle Company in Sonora; the actions of the 'comunidades'

<sup>24</sup>Concerning the Chilean land reform and its impact, see Solon Barraclough, "The Structure and Problems of the Chilean Agrarian Sector", in J. Ann Zammit, ed., *The Chilean Road to Socialism*, Sussex, Institute for Development Studies, 1973.

<sup>25</sup>This term has come up at the Second UNRISD Dialogue on Participation, Geneva, 6-7 Feb. 1978, document UNRISD/78/C.11, p. 3 ff.

<sup>26</sup>See Hugo Cabieses and Carlos Otero, *Economía Peruana: un ensayo de interpretación*, DESCO, Centro de Estudios y Promoción del Desarrollo, Lima, 1978.

of Pasco and Junin in Peru against the Cerro de Pasco Corporation. A particularly clear example is the gradually escalating struggle of the Cuban peasants against large national and foreign landowners and plantation companies, such as the United Fruit Company.<sup>27</sup>

In several Latin American countries, the disadvantage of foreign (transnational) corporations have often been felt more strongly in agriculture than in other fields of the economy. In the mining and particularly in the manufacturing and oil industries, transnational corporations can claim that certain, sometimes considerable benefits accrue to the countries in which they operate, in spite of the huge profits they make. In agriculture, however, the exploitation of the host country and its population is more clear cut and obvious. Protest against inhuman working conditions in the mining, manufacturing or oil industries, can often be neutralized by giving way to certain material demands, such as wage increases or higher taxes or royalties. This is more difficult in agriculture. Although simple wage demands can be met, the demand for land by peasants whose forefathers, or who themselves, have been evicted by the introduction of plantations, cannot be fulfilled unless the agrarian structure is radically changed. There are numerous examples where the demand for land has aroused the population to strong resistance movements against transnational corporations.

The introduction of the plantation economy was often felt as an intrusion and, in fact, often consisted simply of the usurpation of lands belonging to local peasants or communities, as happened in Cuba.

In Cuba as in several other Latin American countries, the struggle of peasants against large estates and corporations had a tradition which went back to the colonial period. In Cuba, it started in particular with the introduction of railways in about 1830 which made the cultivation of sugarcane profitable. The owners of sugar estates than began to extend their lands aggressively by eviction and usurpation at the cost of the small tobacco producing farms.

From the beginning, many agribusiness corporations have been a source of frustration for the local population, and on the whole they have done very little to compensate for this. On the contrary, they have often aggressively continued this trend. Formerly independent peasants, forced to work on the plantations, were badly paid and housed. The profitability of plantation agriculture often meant, that more land was needed. When this was the case, the same rude means of usurpation or similar doubtful methods were used to obtain more and from neighbouring peasant communities. When movements to correct these practices were initiated by the victims or by those who were interested in helping them, the counter reaction on the part of the corporations was out of proportion. Thus the moderate efforts of the Guatemalan government in 1953 to expropriate some of the unused lands of the United Fruit Company for distribution among landless peasants, led to international action to defend the U.F.C.'s interests, which went as far as over-throwing the Guatemalan government and installing a military dictatorship which has caused and today still causes the death of numerous peasant and labour leaders.<sup>28</sup> In several developing countries such companies are a strong, dominating force, virtually unchallenged<sup>29</sup>.

The influence of agribusiness corporations in some of the smaller Latin American countries comes out clearly in the following statistics.<sup>30</sup>

<sup>27</sup>See Antero Regalado, *op. cit.*, various places.

<sup>28</sup>See Thomas and Marjorie Melville, *Guatemala—Another Vietnam?*, Harmondsworth, Pelican Latin American Library, Penguin Books, 1971.

<sup>29</sup>Richard Barnet and Ronald Müller, *Global Reach. The Power of Multinational Corporations*, New York, Simon and Schuster, 1974.

<sup>30</sup>From George Beckford, "The Dynamics of Growth and the Nature of Metropolitan Plantation Enterprise", in *Social and Economic Studies*, Vol. 19, No. 4, December 1970, University of the West Indies, Jamaica, p. 448.

SOME BIG COMPANIES AND SMALL COUNTRIES: A COMPARISON OF  
COMPANY ACTIVITY DATA AND NATIONAL AGGREGATES FOR SELECTED  
PLANTATION ECONOMICS 1967-68\*

(Million dollars, U.S.)

	Company		National Income	Exports Total Plantations†	
	Annual Sales	Net Income			
Booker	198.6	11.5			
Guyana			162.5	108.2	31.8
Tate & Lyle	549.2	27.1			
Jamaica			787.2	219.5	44.9
Trinidad			569.0	466.2	24.2
United Fruit	488.9	53.1			
Panama			634.0	95.2	55.6
Honduras			649.0	181.4	85.2

\*SOURCE : All country data are from International Monetary Fund, International Financial Statistics, January 1970. Company data are from respective company annual reports.

†Plantation exports refer to exports of the commodity produced in the particular country by the relevant metropolitan enterprise.

The current prevailing trend of expansion in the activities of transnational agribusiness corporations noted by various observers,<sup>31</sup> seems to strengthen 'anti-participation structures'. This expansion frequently occurs today through contract farming with small farmers or with cooperatives, rather than directly through the plantation system. This process is part of the green revolution and appears to be one of the strategies currently fostered by the World Bank.<sup>32</sup> These policies tend to make the peasants more dependent on credit and on outside economic control of inputs as well as output, and can therefore be seen as one of the 'structures of antiparticipation'.

This is particularly true when these development policies are carried out in countries where 'anti-participation structures' in the form of repressive institutions which block the articulation of peasant interest already prevail, as is the case in Brazil.

It is important to note that the effect of these structures, i.e., the blocking of people's participation in interest articulation, has in some cases, however, led to new and unorthodox forms of organization. One example is the local level base group movement related to the Churches in various Latin American countries, particularly Brazil. This grassroots, emancipatory movement partly results from the practice of the 'theology of liberation', and is developed with great care. It is not accidental that among groups of clergy which give guidance to such movements, there is severe criticism of development policies which make the peasantry more dependent and also of the doctrine of 'national security' which prevails in many Latin American countries as a justification of oppressive

<sup>31</sup>See e.g. Frances Moore Lappe and Joseph Collins, *Food First, Beyond the Myth of Scarcity*, Boston, Houghton Mifflin Company, 1977; Susan George, *How the Other Half Dies. The Real Reasons for World Hunger*, Harmondsworth Penguin Books, 1976.

<sup>32</sup>Ernest Feder, "McNamara's Little Green Revolution", *Economic and Political Weekly*, Bombay, XL, 44, April 3, 1976.

military governments.<sup>33</sup> Initial research into the effects of the 'anti-participation structures' created by governments adhering to the 'national security' doctrine is being undertaken, and indicates that transnational business interests in combination with certain governments are blocking the process of democratic participation.<sup>34</sup> Some of the result of this research will be summarized in the last section of this paper.

#### INTERNATIONALLY SPONSORED COUNTERACTION ('ANTI-PARTICIPATION')

Brazilian archbishop, Dom Helder Camara declared in Lausanne (27 December 1976) that all Latin American countries except three are being ruled by the military. He also said that it is useless to condemn their well known attitude of disregard for human rights, unless the real causes of the situation are discussed namely the logic of 'National Security', imposed by North-America.<sup>35</sup> This logic has prevailed in Brazil since 1964. In that year the moderately reformist government of Joao Goulart was overthrown by the military with support from the CIA, as was admitted 13 years later by the US ambassador, Lincoln Gordon.<sup>36</sup> In the decade following 1964 the 'economic miracle' of Brazilian economic growth took place. The question arose, however, growth for whom?

In their Pastoral Letter of May 1973, a number of bishops and other high Church dignitaries of northeastern Brazil analyzed the socio-economic situation and expressed great concern over growing disparities in income resulting from the take-over of the Brazilian economy by foreign interests invited by the (military) government. The top 20 per cent of the population saw its share of the national income increase from 54 per cent to 64 per cent while the lower half of the total population saw its share of 17 per cent diminish to 13.7 per cent. It was pointed out that ruthless oppression was being used to prevent any kind of organized protest against this trend. Economic polarization and oppression of human rights created an explosive situation. Ironically enough, one of the world's most important development managers, Robert McNamara, director of the World Bank (formerly chairman of Ford Company and US Secretary of Defense), expressed a similar fear about the Third World as a whole in his presidential address to the Board of Governors of the World Bank in 1973 in Nairobi. However, he did not give much concrete evidence.<sup>37</sup>

This statement by McNamara echoed some of the things he had said when still US Secretary of Defence a few years earlier, in 1968. After mentioning his reflections of 1968 on national security, that the World Bank had divided the world's nations into four categories, rich, middle-income, poor and very poor, McNamara observed :

Since 1958, 87 per cent of the very poor nations, 69 per cent of the poor nations and 48 per cent of the middle income nations suffered serious violence. There can be no

<sup>33</sup>Jose Antonio Viera-Gallo, "The Church and the Doctrine of National Security", in: IDOC International, *The Church at the Crossroads. Christians in Latin America from Medellin to Puebla* (196 -1978), Rome, 1978.

<sup>34</sup>See, e.g., the ample documentation on the role of the Trilateral Commission for a conference of theologists and social scientists which took place in February 1978 in San José, Costa Rica, collected in Hugo Assman, ed., *Carter y la Logica del Imperialismo*, Editorial Universitaria Centroamericana, San José, Costa Rica, 1978, two volumes.

<sup>35</sup>Dom Helder Camara, quoted in *Pro Mundi Vita Bulletin*, 'De Confrontatie van de Kerken van Latijns Amerika met de Staat en de Ideologie van de 'Nationale Veiligheid' (The Confrontation of the Churches of Latin America with the State and the Ideology of National Security), Brussel, No. 71, Maart-April 1978, p. 5.

<sup>36</sup>Interview with *Veja*, São Paulo, 9 Mar h 1977, quoted in Eduardo Galeano, "Open Veins of Latin America: Seven Years After", *Monthly Review*, Vol. 30, No. 7.

<sup>37</sup>Robert McNamara, Address to the Board of Governors of the World Bank, *op. cit.*

question but that there is a relationship between violence and economic backwardness, and the trend of such violence is up, not down,<sup>38</sup>

Looking at the period between 1958 and 1966, McNamara was also aware of the fact that :

...of the 149 serious internal insurgencies in those eight years under discussion, Communists were involved in only 58 of them, 38 per cent of the total, and this includes 7 instances in which a Communist regime was itself the target of the uprising.<sup>39</sup>

He pointed towards 'appropriate military capabilities' as one way of coping with such growing insecurity. But he also noted:

The specific military problem, however, is only a narrow facet of the broader security problem. Military force can help provide law and order, but only to the degree that a basis for law and order already exists in the developing society, a basic willingness on the part of the people to cooperate.<sup>40</sup>

In order to achieve the latter purpose, that of people's cooperation, McNamara offered no real suggestions:

Only the developing nations themselves can take the fundamental measures that make outside assistance meaningful. These measures are often unpalatable and frequently call for political courage and decisiveness. But to fail to undertake painful but essential reform inevitably leads to far more painful revolutionary violence.<sup>41</sup>

Several of these statements are similar to others made in his 1973 address as president of the World Bank.

It is, however, revealing to see what happens to governments which try to make 'essential reforms' as McNamara apparently recommended. In Chile a few days before McNamara's warning speech to his fellow-directors in September 1973, one of the most serious efforts undertaken by a legally elected Third World government to implement such essential reforms and to spread the benefits of national income and development more equally, was drastically halted. The government of president Allende was overthrown with the support of McNamara's own government and the multinational corporate circles to which he belongs. The contradictions between the official statements of Western development managers on reforms and popular participation and the effects of the policies of their institutions are so obvious that they demand further consideration.<sup>42</sup>

The overwhelming power of the Western economic system had been challenged in a few cases by 'populist' governments, supported or pushed by the increased political participation or mobilization of large masses of the people of countries such as Brazil before 1964 and Chile before 1973. As soon as it became clear that these countries were looking

<sup>38</sup> Robert McNamara, *The Essence of Security. Reflections in Office*, London, Hodder and Stoughton, 1968, p. 146.

<sup>39</sup> *Ibid.*, p. 148.

<sup>40</sup> *Ibid.*, p. 150.

<sup>41</sup> *Ibid.*, p. 152.

<sup>42</sup> See Aart van der Laar, *The World Bank and the World's Poor*, Institute of Social Studies Occasional Paper No. 58, The Hague, July 1976, about some of the contradictions between World Bank's rhetoric and its actual policies. Also Gerrit Huizer, "Willen de banken der rijken de armsten der armen werkelijk helpen?", *Internationale Spectator*, December 1977.

for ways of development that were not completely in harmony with the interests of the overall Western capitalist world system, they were brought into line again, regardless of the cost, as had happened to Iran (1953) and to Guatemala (1954), with strong backing from the CIA. Whatever popular organizations existed in the countries concerned were ruthlessly crushed.

The interests of multinational corporations in Third World countries grew rapidly during the sixties. In the early seventies, continuing efforts in some of those countries to maintain or achieve some measures of independence, control or self reliance, became a growing problem to the global managers. This problem became more alarming when the Western theories of gradual development in similar stages of economic growth to the rich Western nations,<sup>43</sup> were disproved by the facts, as demonstrated by prestigious institutions such as the Economic Commission for Latin America of United Nations and later UNCTAD. Critical Western and Third World scholars such as Frank, Samir Amin, Galtung, also disproved the current modernization and development theories underlying the dominant system, and brought in various versions of *dependencia* theories, denouncing the increasing exploitation of Third World economies by Western economic interests (often multinational corporations). When in an increasing number of Third World countries, alternative development models were seriously discussed and a few countries, such as Chile, started to act on them, Western political and corporate powerholders reacted strongly.

Such reaction had been noted and to some extent predicted by those utilizing *dependencia* theories to explain economic (under) development in the Third World. In the light of these theories, which are based on solid evidence, the events in Chile in 1973, and the statements made by McNamara, can be understood. It is indicated that the large scale manner in which the capitalist economic system operates, the multinational corporations need to control as far as possible, all aspects of the production process, the supply of raw materials and the marketing of the commodities. There is need for long range planning to provide maximum security and avoidance of risk. The investment climate has to be favourable to make profits, but even more important is that this climate should remain stable, which implies maximum political stability.

'Hemispheric security' comes to mean protection not against interference by non-hemispheric powers or even international Communism, but rather against the threat of truly independent regimes of any type in Latin America.<sup>44</sup>

As is pointed out, the multinational corporations therefore have an increasing interest in the active participation of the state (particularly the United States) in international economic relationships. One example of this state participation is foreign aid, including the aid channelled through US dominated agencies, such as the World Bank and the IMF.<sup>45</sup> It is not accidental that these latter institutions gave little or no assistance to Chile during the period of the Allende government, although Chile had previously implemented precisely those reforms (land reform, distribution of income) which were advocated as crucial in the speeches of World Bank director McNamara.

This situation changes following the demise of a reformist government, when, as *Business Week*,<sup>46</sup> (9 Aug. 1976) indicated, a 'new economic realism' prevails in a situation

<sup>43</sup>The most important ideological expression of the Western development model was probably by W.W. Rostow, *The Stages of Economic Growth. A Non-Communist Manifesto*, London, Cambridge University Press, 1960 (later Rostow was advisor to the presidents Kennedy and Johnson on the Vietnam policy).

<sup>44</sup>Susanne Bodenheimer, "Dependency and imperialism: the roots of Latin American underdevelopment", *Politics and Society*, May 1971, p. 350.

<sup>45</sup>*Ibid.*, p. 351.

<sup>46</sup>Quoted in *Pro Mundi Vita Bulletin*, *op. cit.*, p. 23.

of 'political stability', as is currently happening in Chile and Argentina, as a result of the role of the Armed Forces in alliance with the middle classes and leading technocrats. As a result of such a situation foreign aid and investment has increased considerably in the last few years.<sup>47</sup>

In addition to private foreign investment in 1976 Chile received 290 million US dollars of direct US aid in spite of US Congress resolutions suspending economic and military aid to that country. There is evidence that the policies of the military in Brazil and Chile which created a climate of safety and security for Western multinational investment, tried to find ideological justification in a 'national security doctrine', echoing the ideas of McNamara (*The Essence of Security*) expressed while he was US Secretary of Defence, but utilizing the geopolitical jargon used in Germany during the thirties by fascist or national-socialist ideologists.<sup>48</sup> The Rockefeller Report on Latin America produced by Nelson Rockefeller in 1969, highlighted the importance of enlightening the Latin American military concerning the ideology of security functioning successfully in Brazil at that time. During the next few years, as a reaction to signs of dissidence in Third World countries a strong trust in 'security' strategies as a means of safeguarding orderly, i. e., Western, development became increasingly predominant among the Western economic power elite.

Efforts to find solutions outside the Western capitalist models (such as Chile in 1970-73), and the growing discussion over the need for a New International Economic Order among the (originally 77) non-aligned nations, was seen by the Western power elite as a far more serious threat to the prevailing economic system than the Soviet Union and its allies had ever been.<sup>49</sup> Therefore, the Trilateral Commission was initiated as a reaction to the growing tendency towards self-reliance (collective or individual) of Third World countries during the early seventies. After many years of preparatory efforts, the formal creation of the Trilateral Commission took place in 1973 at the initiative of David Rockefeller, chairman of Chase Manhattan Bank and main figure in the Exxon Oil Company, the world's largest multinational corporation.<sup>50</sup> In this Trilateral Commission, corporate and political leaders of the rich Western countries, many of whom had met previously but informally at the so-called Bilderberg conferences in which Prince Bernhard of the Netherlands played an important role, were formally brought together. In addition to the US and Western Europe this time Japan was also brought in, hence the name Trilateral Commission. Although the Commission has worked without any publicity, and its origins and its existence are relatively unknown, its membership includes the most influential persons of the present US government (Carter, Mondale, Brzezinsky, Vance, Young, Blumenthal), long before they came to power in 1976. In fact the Trilateral Commission is seen as responsible for the campaign which brought these people to the prominent positions they currently occupy.

The Commission further contains representatives of a good number of the world's largest multinational corporations (Coca Cola, IBM, Unilever, Royal Dutch Shell, Deere, Sony, Mitsubishi, to mention only a few), the most important banks and some scholarly institutions which have served the present Western power elite. A few Western trade union leaders, including the AFL/CIO (USA) and Deutsche Gewerkschafts Bund (W. Germany), are also members of the Commission. The Commission as a whole comprising over 150 members, meets once a year, its 32 member Executive Committee twice a year.

<sup>47</sup>Quoted in *Pro Mundi Vita Bulletin*, *op. cit.*, p. 23.

<sup>48</sup>*Ibid.*

<sup>49</sup>See Zbigniew Brzezinski, *Between Two Ages*, Penguin Books, 1970, quoted several times in Hugo Assmann, ed., *Carter y la Logica del Imperialismo*, Editorial Universitaria Centroamericana, San José, Costa Rica, 1978.

<sup>50</sup>One interesting article which summarizes the work of the Trilateral Commission is Jeff Frieden, "The Trilateral Commission: Economics and Politics in the 1970s", *Monthly Review*, Vol. 29, No. 7, Dec. 77, pp. 1-18; also many articles in Hugo Assmann, *op. cit.*

The Trilateral Commission has, in the last few years, issued about twenty reports on world affairs, the so-called Triangle Papers, giving broad analyses and guidelines regarding policies which would strengthen the prevailing Western dominated economic system. The present policies of such international development agencies as the World Bank and the International Monetary Fund seem to be largely in line with these broad outlines of the Trilateral Commission, as is sometimes specifically noted in the Triangle Papers.

While Third World economists explained the failure of the various development decades to bridge the gap between rich and poor countries, by denouncing the continuing or increasing dependency of the poor on the rich, and began to support strategies of self-reliance or even 'dissociation' from the Western economic influences as the only solution for Third World countries, the Trilateral Commission in its 1974 report strongly emphasized the (need for) interdependence of the Trilateral economies and those of the Third World. The way in which the Trilateral Commission envisages this interdependence is made clear in its third report, drafted in 1974 by Richard Gardner, Saburo Okita and B.J. Udink (a former Netherlands Christian Democrat Minister for development cooperation, presently director of OGEM, a Dutch construction multinational). This report noted :

The interests of both developed and developing countries will be better served in this historical period by cooperation than by confrontation. We recognize that this statement has a hollow ring in the light of the failure of developed countries to live up to the aid and trade targets of the two U.N. Development Decades . . . .

and also :

From an economic point of view, the so-called Third World has become at least three worlds—the oil producing countries earning huge amounts of foreign exchange, the relatively well-off developing countries with other valuable resources or a growing industrial base, and the 'have-not' developing countries such as those in the Indian subcontinent and the Sahelian zone of Africa. Emphasis on these differences is not motivated by a desire to break up the unity of the developing world—the developing countries will continue to unite when they have common interests—it is motivated rather by a desire to adapt policies to new realities so that the legitimate interests of all will be served.<sup>51</sup>

It is foreseen that the countries of the second category such as Mexico, Brazil, Turkey and Malaysia, 'which enjoy substantial foreign exchange reserves, high prices for their exports or ready access to capital markets' do not need much 'additional concessional aid'.<sup>52</sup> This aid will have to go mainly to the 'resources-poor, low-income developing countries that lack large foreign exchange reserves, buoyant export prospect, or the ability to service credit on commercial or near-commercial terms'. These countries, called the Fourth World in the report, are also the countries where the Western multinational corporations have not (yet) penetrated as deeply as elsewhere. They include India, Pakistan, and Bangla Desh, a total of nearly 1 billion people.<sup>53</sup> Some of the important questions regarding the economic world order raised by this report are as follows :

How can the Trilateral countries open their markets to the agricultural and manufactured exports of the developing countries while assuring orderly internal adjustment?

<sup>51</sup>Trilateral Commission, *A Turning Point in North South Economic Relations*, Triangle Paper No. 3, in *Task Force Reports 1-7*, New York University Press, New York, 1977, p. 69.

<sup>52</sup>*Ibid.*, p. 61.

<sup>53</sup>*Ibid.*, p. 71.

How can the potential of foreign investment in general and the multinational corporation in particular be utilized consistently with the needs and aspirations of developing countries?<sup>54</sup>

The destiny of countries which are considered to be more or less capable of functioning within the prevailing economic order, because they have essential raw materials or the beginnings of industrialization along multinational corporation lines, has recently been demonstrated in Peru.<sup>55</sup> As noted above, in that country the military had taken power in 1968 after having oppressed peasant rebellions for various years during the Belaunde government. That government had promised reforms but was unable to carry them out and was, in fact, selling out to international business. The military took a more patriotic line after 1968 and expropriated some of the most blatantly exploitative foreign companies and started to implement land reform and other popular measures. Partly in view of the exaggerated expectations of available oil resources, the country had accrued a considerable foreign debts, from private Western banks (the World Bank had washed its hands of Peru when it tried to follow a more independent economic policy). In order to cope with its increasing debts, the country was practically forced by the International Monetary Fund (headed by a former Dutch minister and Unilever advisor Johannes Witteveen), to undo a good deal of the reforms carried out in previous years. The reaction of peasant and workers' organizations which had been growing during those years, was rather violently crushed during a general protest strike in 1978, (the first since 1919), at the cost of over a hundred persons killed. Various peasant and workers' organizations, including the National Agrarian Federation (CNA) the peasant organization created by the Velasco government, were outlawed. The only ones to benefit from the measures imposed by the IMF appear to be the mining companies. Standards of living among the common people have deteriorated rapidly, apparently the price of being creditworthy within the 'interdependence' of the Western economic system, a price which has to be enforced by increasing oppression. Such oppression may in the next decade, however, easily lead to a situation similar to that prevailing in Cuba before 1959. The 'interdependence' promoted by the Trilateral Commission bears a contradiction within itself. As Teotonio dos Santos observed with regard to the integration of Third World countries into the international system:

The process of internationalization has two faces: one dependent face (the present) and one liberating face (that of the future). The dependent face and the liberating face present themselves in one and the same process...<sup>56</sup>

As the Peruvian theologist Gustavo Gutierrez recently stated:

The popular sectors have suffered hard blows, but they have also learned important lessons. The popular movement is aware of its backward steps, of the ambiguity of certain programs and of the lack of precision of its social projects. This is part of every historical process. But it is also aware of steadfastness, hope, appropriate silences and political realism. The exploited classes have demonstrated a potential for resistance

<sup>54</sup>Trilateral Commission, *A Turning Point in North South Economic Relations*, Triangle Paper No. 3, in *Task Force Reports 1-7*, New York University Press, New York, 1977, p. 71.

<sup>55</sup>For a summarizing account of the 1977 and 1978 developments in Peru see Barbara Stallings, "Privatization and the public debt: US banks in Peru", *NACLA Report on the Americas*, XII, No. 4, July Aug. 1978.

<sup>56</sup>Teotonio dos Santos, "El nuevo carácter de la dependencia" quoted in Susanne Bodenheimer, *op. cit.*, p. 357.

that bewilders the dominators and surprises the now harshly repressed revolutionary groups who have recently taken the lead in some processes in Latin America.<sup>57</sup>

Ironically enough the present anti-participatory policies of the Western world's development managers could lead to a situation, as vaguely foreseen by McNamara in his 1973 speech, in which the poor peasants in Latin America and elsewhere will come to active revolutionary political participation precisely because they are not allowed a peaceful and gradual participation in the developments in their country solving fundamental conflicts.<sup>58</sup>



<sup>57</sup>Gustavo Gutierrez, *La Fuerza Historica de los Pobres*, CEP, Lima, Sept. 1978, pp. 20-21 (translation: James and Margaret Goff and Carmen Danino).

<sup>58</sup>For an elaboration of this dialectical process see also Gerrit Huizer, *Conflict Resolution Strategies: Alternative Approaches to Rural Development*, paper presented at the 25th Anniversary Conference of the Institute of Social Studies, The Hague, December 1977.

## Social Communication and Social Indicators

Utpal K. Banerjee

THE ANCIENT Greeks divided the pursuits of man into four categories (Ackoff, 1976):

1. The scientific—the pursuit of *truth*;
2. The political-economic—the pursuit of *plenty*;
3. The ethical-moral—the pursuit of *goodness*, virtue;
4. The aesthetic—the pursuit of *beauty*.

Later, especially after the renaissance, man came to conceptualise the universe as a machine created by God to do His work, to serve his purposes. It was, therefore, natural for man to attempt to develop machines that would do his work, serve his purposes. This led to the industrial revolution which, in turn, produced fundamental qualitative changes in the nature of man's environment.

To Ackoff, most of the environment in which 'developed' man spends his time directly impinges on his quality of life. The latter has less to do with what man has in the way of material goods than with the conditions under which man acquires and uses them. Quality of life—ordinary life, corporate life, work life or academic life—is not a matter of products but processes, and deals with man's satisfaction or dissatisfaction which he derives from his possessions, material or otherwise.

Further, to Ackoff, quality of life in an organisation, community or society is derived from the quality of lives of the individuals within it. Measurement of quality of life for a large enough sample of individuals over a large sample of their states to produce useful statistics representative of a society—social statistics—is very difficult. Hence attempts are made to develop indices—social indicators—which correlate with qualitative judgments of the quality of life. It will be examined in the next few pages whether we have the capability of producing the kind and number of measurements of the quality of life that are needed in India for a rational effort to improve it.

### HOMEOSTASIS—INDIVIDUAL AND SOCIETAL

An individual's quality of life starts from his precious bodily possessions and is best understood when seen alongside nature. Quality of life should relate here to physical well-being. For a glowing health, man—in common

with other developed organisms—needs proper functioning of his organs: heart, lungs, kidney, and so on. A well-orchestrated functioning of organs is a physical need and it would seem that mother nature takes good care of these needs even in the stupidest of persons, indeed in all animals. Natural satisfaction of these needs is both necessary and sufficient for all beings through energy inputs, either fully free (*viz.*, air) or almost free (*viz.*, water, where available, and food, where the same can be gathered directly from nature).

Immediately beyond the above, there are some other needs which require conscious efforts to be made for the satisfaction or, rather, 'satisficing' upto a threshold point. These needs comprise in providing the balance of energy inputs (water and especially food) and protecting the energy outputs (from the body) through clothing and housing. Many animals, in fact, carry their own clothing in the form of fur or coarse skin. For others, like human beings, society has to organise its activities in such a manner that the 'satisficing' of the needs are ensured for its individual members.

Before we consider what the minimum needs are and how society should be organised to 'satisfy' them, one point emerges clearly. In an individual's life, the natural satisfaction of physical needs has been made into involuntary tasks—needing no interference and enjoining homeostasis or organic equilibrium. In a society's organisation of its functions, if the individual's minimum needs are 'satisfied', there is a societal homeostasis. To that extent, the quality of life of individuals as social beings is adequately enriched, for, cultural and creative life can then be made possible for every man.

Comte (1848), Malinowsky (1947), Weber (1949), and Mannheim (1957) viewed the grand object of human existence as the constant improvement of the natural order that surrounds him : of his material condition first; of his physical, intellectual and moral nature, subsequently. Moral progress is regarded as the highest of these objects, whether in the individual, in the family, or in society. In our hierarchy of things, moral and spiritual development may be the highest-level homeostasis which the human culture is capable of and is not considered here.

#### *'Gutengesellschaft' and Its Goals*

We may visualise a desirable society as the one which has reached the societal homeostasis for all its members. To determine its framework, one has to consider what the minimum needs are in terms of food, clothing and housing, in addition to sanitation, medical facility, schooling and other welfare services. All these are common welfare variables and their values for alternative minimum-need models focus on specific aspects of a welfare society.

A desirable society should reach out further and, while bothering about the minimum need of food for individuals, should also see that its food products are distributed equitably. The same applies for clothing and

housing. Regarding sanitation, medical facility, schooling and so on, there is also the question of access and choice available to its individual members regardless of caste, creed and sex.

Yet another question: to what extent is the 'satisficing' of minimum needs—which have also to remain well below the maximum perceived needs—of individual members of the society compatible with such indisputable goals as social integration and social harmony. The question assumes extra significance when one considers the pace and progress of the different sections of the population, like India's, whose religions, groups, castes, tribes, linguistic groups, etc., are extremely varied. There can, therefore, be the conceptualisation of a good society only if the latter is not in conflict with such goals at the societal level as enhanced equality, social justice and scope for diversity; and such goals at individual level as individual freedom, security and identity. For instance, one has to tackle problems of allowing as well as drawing limits for individual freedom in order to define a desirable society.

'Gutengesellschaft' or good society is, in brief, a vision which contains the image of not merely the quality of a single society but also the quality of life-styles of its individual members: at individual level, local level, regional level and country level. It has to deal with goal priorities at different levels and the meaning of choice among them, such as, what the implications are of putting industrialisation before education or *vice-versa*. It has to be concerned with a rich choice of variables, such as, human and societal development variables (security, freedom, identity, as also equality, justice and diversity) *plus* common welfare variables (food, clothing, housing, sanitation, medical service and schooling), and treat them within a minimum and maximum interval. Such an image can be presented either synchronically by depicting the quality of life in that society at a given point of time or diachronically by explaining alternative life-styles and by presenting varied portraits of what a person's quality of life might look like from birth to death.

#### AN APPROACH TO GOAL—INDICATORS

According to Galtung (1977), to whom much of the above enunciation and the following approach are both due, visions of the 'Gutengesellschaft' can be had from utopian literature, eschatology, visions embedded in human cultures in general and myths in particular, and even human imagination. Our concern here is with futuristic thinking which can bring out the richness in visions among people, thus gaining richer images of future Indian society and aspirations of the Indian people.

Such a futuristic thinking can have the following approach :

To explore to what extent the basic needs are met depending upon:  
(a) what the basic needs are, and (b) where the minimum is located beyond

which one thinks of ‘satisficing’. This can be done through dialogues with people, planners and researchers on a set of alternative premises whose degree of relevance will depend upon the individuals, local community, region and the whole country:

To split the idea of development—human as well as social—into lists of needs and their counterparts in the form of rights. For example, the five-year plan documents of India attempt to express the national aspirations in terms of socialistic goals. The First Plan states that “the central objective of planning in India at the present stage is to initiate a process of development which will raise living standards and open out to the people new opportunities for rich and more varied life”. Development should progressively take into consideration the fundamental urges of the people “which express themselves in the demands for the right to work, the right to education and to a measure of insurance against old age, sickness and other disabilities”.

To see to what extent right as norms for the good society are a form of understanding in which development goals can be expressed. Considering, for instance, the inalienable ‘right to food’, there can be a high level of consensus on such a right but less consensus about interpreting that right as a norm of prescribing or proscribing concrete actions.

To carry out the institutionalisation of rights from informal social norms into formal legal norms so as to clarify who the senders and receivers are, which are the actions prescribed or proscribed, and which are the negative or positive sanctions behind them.

To decide upon the minimum or the basic needs unit, such as, the food needed to keep a child alive for one year, the medical service needed to have a certain health impact, the schooling needed to impart education to one person for one year, and so on.

To determine the impact of a given policy or concept for the country in terms of losses or gains in the basic needs units, such as the losses derived from allocation of personnel, land, capital and organisation to satisfy non-basic needs or the gains derived from such allocation to basic needs. At the final stage, some idea can be derived as to what degree the good society is being achieved or achievable, with a given policy or concept.

#### COMMUNICATION FOR SOCIAL CHANGE

The society in India, in common with the developing countries, tends to be an amalgam of traditional communities, often steeped in ignorance, taboos, inertia and prides and prejudices (Nayudamma, 1976). Changes sought by any given policy or concept for transforming the society into ‘Gutengesellschaft’ is resisted by many religious, political and social factors, which usually act as barriers to change.

If the society, especially the rural society, is to break away from these

strangleholds, there is a vital role which the social change agents have to play. The change agents—whether in the field of agriculture or education or family planning—can closely interact with the society, again at individual level, local level, regional level and country level. Social communication—both efficient and sufficient—involving these agents can be made to permeate the very fabric of the rural society. At the regional level, the rural society varies in its characteristic weakness and strength, sociological threats and opportunities, and instruments of corporate change. The change agents (along with social workers and other experts) have constantly to overview the development activities so that the latter are kept wholesome, there are multiplier effects and there is continued acceptance, support and involvement of the community. Both at regional and national level, there has to be overall integration and coordination of various groups of activities, namely, administration, implementation infrastructure, local leadership, community participation, voluntary service and educational institutions—to name only a few.

## **SOCIO-STATISTICAL FRAMEWORK**

### **SOCIAL INDICATORS—A REVIEW**

Granting our urge to a commitment to change society and assuming that all planned social programmes try to create a better society, social indicators imply to what extent we are moving towards 'Gutengesellschaft'.

The following comprehensive definition is given by the Statistical Office of the United Nations (1971):

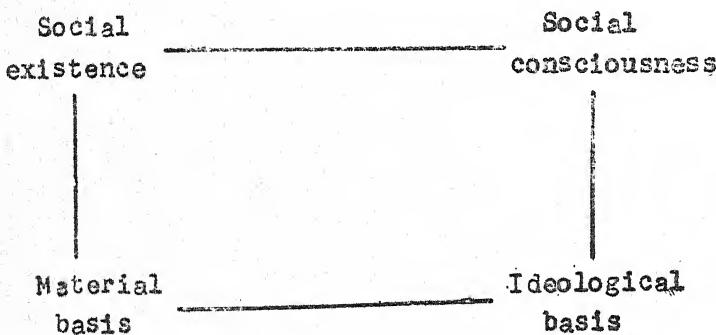
Social indicators are generally derived summary series designed to portray the state of, and trends in, social conditions that are, or are likely to become, the subject of public action or concern. They should yield information on the extent to which existing conditions correspond to generally accepted social goals and the pace at which these objectives are being rendered, and focus on:

- (i) The main facts of the well-being of the population;
- (ii) The performance, that is effectiveness and efficiency, of the social services, and
- (iii) The distribution of well-being, and of the use of and benefits from the social services, even the population. They would be useful in depicting the state of social affairs and detecting social conditions which need correction, in setting targets for the purpose and in ascertaining the general achievements of social programmes and policies.

The ECAFE Conference of Asian Statisticians (1973) attempted a finer distinction which is also nearer our work :

While a general system of social statistics might involve a wide variety of social indicators, the proposed indicators of social development should be development-oriented and related to major goals of social development. Such goals might sometimes involve structural changes, in which case structural indicators would be relevant. If the goals involved change in certain flows, flow indicators would be necessary. In the case of social services, progress could be measured in terms of the benefits derived or, better still, the impact of the service on the population benefited. If data on the benefits derived were not available, the progress might be measured in terms of output indicators. If even the data on the outputs were not available, input indicators might be used.

Mukherjee (1975) argued that the concept of social development could not be standardised by enforcing a particular manner of social development as the world view and differential 'value consideration' in social development were indicated even within the socialist world among the Soviet, Yugoslavian, Chinese and Cuban outlooks. He conceived of a two-dimensional scheme to systematise the differential value-load of the concept of social development as follows :



Mukherjee (1976) pointed out the wide spectrum of the stages of social development among the developing societies which had segments of modernised communities within a generally prevalent traditional atmosphere. Consequently, the social behaviour in a particular circumstance in a developing country was less predictable compared to a developed one, and few variables had parametric characters. Also, social change in developing countries would depend partly on what they were trying to achieve (policy-operational goals) and partly on what they could hope to achieve (cognitive-descriptive goals). For instance, improvement of material well-being remained one important

aim and, for this purpose, rapid industrialisation and improvement of agricultural technology seemed to be necessary.

The above almost echoed what Myrdal (1971) had stated with reference to Southern Asia and other developing countries:

In *Asian Drama*, the modernisation ideals have been used as instrumental volume premises.—The reason for adopting the modernisation ideals as value premises for our study of underdeveloped countries is not merely that very commonly they are pronounced to be the goal determining policy by the governments of practically all those countries, and, indeed, generally by articulate members of their people. In many underdeveloped countries, they have acquired the role almost of a state religion.

In similar context significant work was done by Rao (1975) who proposed a single key indication to reflect the progress towards each major goal of development planning, with one or two supplementary indicators to reflect related trends on important components of the major goals, as illustrated on next page.

Socio-economic indicators selected by him are given in Appendix A.

Another important study by Krishnamurthy and Dhruvasan (1975) viewed development indicators for: (1) describing trends and diagnosing a particular development situation, (2) analysing inter-relations between variables and facilitating predictions, and (3) planning both for measuring targets and objectives and for evaluating progress. Social development indicators chosen by them are shown in Appendix B.

#### SOCIAL INDICATORS—A CRITIQUE

Established quantitative indicators have been increasingly questioned for their failure to measure differential impact of social change and in the quality of life in a society characterised by socio-economic and cultural diversity (Radhakrishnan, 1976). Some of the valid objections are enumerated here.

First, it was noted earlier that social statistics are collected, presented and analysed for: (i) cognitive purposes (or to improve the understanding of the society and its changes, and the factors affecting such changes), and (ii) operational purposes (or to furnish a data base for concrete policy measures to bring about changes and to monitor such changes). Much of the existing work tends to achieve these purposes through purely economic considerations (e.g., GNP or GNP per capita, etc.) and does not take into account the quality of distribution, access or such features as fertility rate (to judge population growth), infant mortality rate (to judge health), level of education, and so on.

Secondly, much of the pioneering work in the west has little relevance to

## SOCIO-ECONOMIC INDICATORS AND THEIR MAJOR GOALS

<i>Sector</i>	<i>Major goals</i>
I. Population	Controlling the growth rate, through a faster reduction of birth rates than the anticipated reduction of death rates, using from the improved health conditions.
II. Health and Nutrition	Prolongation of life, control of mortality at the younger ages where it is most pronounced, and improvement of the health status of the people through prevention and cure of diseases.
III. Housing and Environment	Provision of homes to the homeless, progressive improvement of the type of housing, replacement of temporary and improvised housing units by permanent and semi-permanent units, reduction of over-crowding in urban dwellings, provision of safe drinking water, sanitary facilities and electricity to all dwellings, improvement of the surrounding environment to make living pleasant, healthy and safe.
IV. Education and Culture	Universal primary education, higher levels of enrolment at the secondary level, a tie-up of tertiary enrolment with manpower needs especially in scientific and technical education, provision of equal opportunity in education to boys and girls, improvement of efficiency of the educational system, and progressive eradication of illiteracy.
V. Employment, Working Conditions and Social Security	Maximisation of employment, minimisation of unemployment and underemployment especially for the new entrants to labour force and the educated unemployed, provision of equal opportunity.
VI. Social Defence and Welfare	Provision of preventive, probation and correctional services including the care, education, training, reform and rehabilitation of the offenders especially juvenile delinquents.
VII. Income Consumption and Health	Improvement in the levels of living, equitable distribution of income, consumption and wealth.

the developing countries considering the latter's scope for enormous variation in their socio-political milieu. For instance, the list of social indicators suggested by the United Nations Research Institute for Social Development (1970) included the following on communication:

- (i) Newspaper (daily, general interest) circulation per 1,000 population;
- (ii) Telephones for 100,000 population;
- (iii) Radio-receivers per 1,000 population;
- (iv) Television receivers for 1,000 population;
- (v) Radio and television receivers per 1,000 population.

Obviously, with limited opportunity, lack of access and language difficulties alone, the above averages will mean hardly anything at individual, local or even regional levels.

Thirdly, the distinction between items of data which are supposed to be primary data and social indicators which are supposed to be derived summary series often tend to be slight (ECAFE, 1971). In several instances, 'items of data' include derived figures such as averages, ratios, and even index numbers, while 'social indicators' include complicated multivariate distributions, as opposed to the common understanding of the term 'indicator' as a single summary figure.

Fourthly, the indicator does not often relate to the impact on effectiveness of the factor enumerated. In consequence, its value as a comprehensive figure of merit is lost or compromised.

Finally, the quality of life cannot be measured regarding circumstances and ways of living by the indicators usually adopted for measuring the levels of living. Kamat (1975) offered the following critique:

It is the experience (of India also) in all the countries the world over in the present century that some of the processes used for increasing the wealth and welfare of the society (e.g., industrialization, urbanization) also give rise to and even intensify welfare impeding factors, factors which adversely affect the quality of both the working life and community life of the population. On the physical plane, for instance, one cannot fail to notice the mess of city-life in our metropolitan centres like Bombay and Calcutta with their unchecked horrendous expansion and thoughtless industrialization. The environmental problem, the pollution of water and air, due to the pouring out of effluents from diverse sources, from small and giant factories to the ever present human refuse, have assumed serious proportions. Housing and essential conveniences like water and sanitation have become tremendously difficult problems. There is also the unbearable burden on the channels of communication leading to daily traffic congestions and traffic snarls on all the arteries of transport. Both time and space have become scarcer and scarcer for most urban dwellers.

The situation on the social plane is equally agonizing. The atomization consequential to the modern city-life and the very pace of its working life have drained all community content from our urban social life. The tremendous growth of slums and the acute congestion in depressed areas has resulted in considerable increase in crime. Life has become cheap, insecure and burdensome and yet there is no escape from this inferno. Such for the common man are the consequences of the short-sighted, uncontrolled, greedy growth of our urban conurbations; and smaller cities and towns are not far behind in this so-called march of progress. Surely all these aspects of the quality (or the lack of it) or urban life and the relevant facts throwing light on them are vitally important to us to study and analyse.

The environmental problems and the deterioration in the quality of life in general are not exclusive to the urban population. In the rural areas too the same or similar problems have raised their heads. For instance, the establishment of factories create the problems of pollution for the surrounding rural areas. Even otherwise, the rapidly growing rural population in the context of the adverse land-man ratio, lack of housing and housing sites, extensive denudation of forests, acute scarcity of water, thinning of river channels over most of the year due to dams, bunds and lift-irrigation schemes, and (last but not the least in importance) the problem of the disposal of human refuse are seriously affecting the quality of life in the rural areas as well. Along with the social change in rural society mentioned earlier, these aspects of rural life also deserve our attention.

#### SOCIAL COMMUNICATION—A SURVEY

Social statistics proper may be regarded as societal statistics relating to social behaviour (Mukherjee, 1976). Social behaviour, according to him, is abiding behaviour between members of groups and institutions as well as between groups and institutions, the society being conceived as an agglomeration of these groups and institutions. For example, some groups, like families may exhaust the entire population, while certain other groups like trade unions would cover a much smaller part of the population; government is an institution and public measures to help families is an example of social action.

Community occupied an important place in the above social framework. Community, according to Spangler (1977), is that part of the environment which forms the background for people's living, working, marrying and raising of families, and provides the political, civic, cultural, economic and religious life in which individuals and their neighbours participate to a greater or lesser degree.

A central substantive concept of social polity with development goals is the need to assure a wider and more significant participation of the people

in the whole development process (AID Handbook, 1975). In this sense, 'participation' means not only sharing the economic benefits and constitution of resources but also involvement in the processes of problem identification and solution, project selection and design, implementation and evaluation. The participation approach to development demands that the social policy designers and implementors have a deep understanding of the socio-cultural setting. For this type of development, ethnic, religious, cultural and educational traditions have to widen into the future vision.

For instance, a developing country may try to achieve social goals at lower levels of output per man, often conceding the fact that it is futile to work for a society akin to that of a highly industrialised and affluent country like USA or USSR, due to lack of necessary material inputs. This would require vast political and institutional experimentation. To develop, organise and run such an effort in a large scale society is a gigantic task especially as opportunities have to be consciously created and maintained at all levels of social functioning. This requires an extension and manifestation of the spirit of community, which includes caring, communication and attention to others in creative exchange.

Hardly any quantitative formulation exists on how to communicate with social project participants in the project and spread areas. The problem is further complicated by the cultural distance between change-agents and prospective participants. Successful communication requires devising a communication strategy, identification of points of origin for communication and points of destination, the process of communication covering who does what, and the context, nature, and frequency, of communication. The extent to which modification and improvement of existing material is required can be determined, and decisions taken on the timing and frequency of messages, the need to have feedback, so that necessary improvements can be made, and the best type of media for particular situations. These aspects, along with the types of participants, nature of communication media and content of 'messages', will be treated on quantitative premises at a later stage in this article.

#### QUALITY OF LIFE—AN APPROACH

A specific attempt to select indicators for different quality of life, especially in metropolitan areas, was made by Jones and Flax (1970). The same, applicable to the west, are given in appendix 'C'.

The same authors attempted an index of quality of life W as:

$$W = \sum \lambda_i y_i$$

Where  $y_i$ =a set of indicators and  $\lambda_i$ =a set of weights for combining the indicators into an index of the quality of life W.  $Y_i$ 's are aggregative measures

for the metropolitan area as a whole and  $\lambda_i$ 's are preferences of a composite policy maker who thinks in terms of such aggregates. They showed how, from an annual sample survey of some leaseholds, some direct measures of changes in the quality of the residents' life could be elicited and by averaging over households, how a measure of the average quality of life for the population of the area could be obtained.

## SOCIAL INDICATORS—A FUTURISTIC MODEL

### 'PERSPECTIVE' INDICATORS

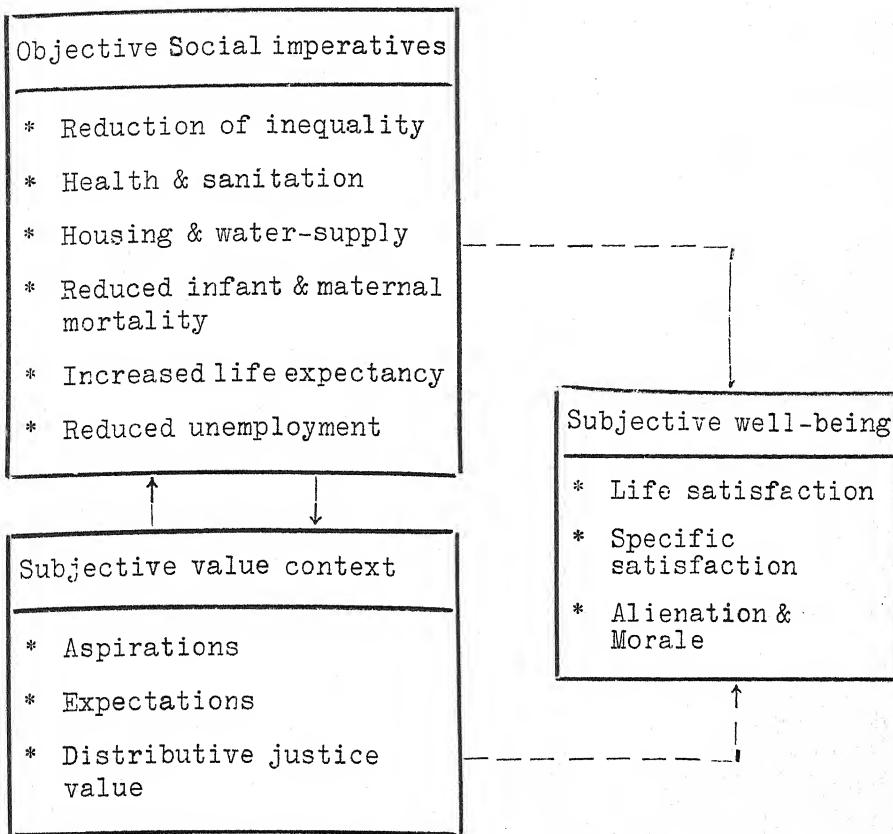
It was early opined (Gross, 1966) that no matter what might be done in the immediate future, a long range perspective was necessary; progress in the collection of social indicators would be slow and uneven, and the maturation of social accounting concepts would take a few decades. Even lately it was lamented (Fox, 1974) that for many of the important topics on which social indicators passed judgment and on which social policies were made, there were no yardsticks by which to know if things were getting better or worse.

It is proposed to recommend construction of 'perspective' indicators which would establish social goals and set social policy keeping in view an Indian 'Gatengesellschaft'. Difficulty arises, mainly due to value differentials among different income groups, in a severe conflict among social goals. For instance, improving agricultural productivity might actually help—and not hinder—the maintaining of social imbalance, as has often proved to be the case in our rural society. It is, therefore, imperative to settle for unambiguous social goals which are in the nature of objective social imperatives. These value free social goals have to be linked with value laden quality of life which has a subjective value context and, taken together, can lead to subjective well being appropriate to 'Gutengesellschaft'. Following Land (1975), this can be depicted in the diagram on next page.

According to Ackoff, and Emery (1972), measures of satisfaction with one's current situation as well as progress towards a social ideal (both value laden and value free) are difficult to make for producing useful statistics, representative of a society. By using quasi-objective consensus achieving techniques, such as Delphi method, 'perspective' indicators—meaning goal indicators or normative indicators—can be developed to correlate with qualitative judgments of the quality of life.

### 'POSITIONAL' INDICATORS

These indicators are fairly well developed in social statistics to measure social conditions (or states) and changes in these conditions from time to time or area to area (at local, regional or national level). They are termed



here 'positional' indicators in order to distinguish from the other two indicators visualised and cover the following (Land, 1975):

- (i) Output descriptive indicators: measures of the *end-products* of social processes and most directly related to the appraisal of social problem;
- (ii) Other descriptive indicators: more general measures of the social conditions of human existence and the changes taking place; and
- (iii) Analytical indicators: components of explicit conceptual models of the social processes which result in the values of the output indicators.

#### 'PERFORMANCE' INDICATORS

Having decided upon 'perspective' and 'positional' indicators, these two may be combined (for specified areas or time periods or both) in the form of simple graphs or aggregated measure of ratios or percentages for the

following purposes :

- (i) Improvement to deterioration in the conditions of human existence with information on quality of life;
- (ii) Approximation to, or deviation from, 'Gutengesellschaft', and
- (iii) Prediction of future social events and social life.

The combined bivariate measures can be termed 'performance' indicators. The following table provides a useful summary for the various facades of the three indicators which, together, can be called 'P-P-P' approach from the practical working point of view :

	<i>'Perspective' indicators</i>	<i>'Positional' indicators</i>	<i>'Performance' indicators</i>
(i) Purpose	Fixing norms or goals	Keeping records	Watching performance against set norms
(ii) End use	Policy-planning	Statistical	Control and monitoring
(iii) Data base	Quasi-objective consensus on expert judgment	Survey and existing records (primary data)	Derived information (secondary data)
(iv) Updating of information	Ad hoc	Regular	Regular
(v) Organisation & Manpower support	Small (only for conducting Delphi survey)	Large	Medium
(vi) Financial implication	Negligible	Considerable	Fair
(vii) Users	State planning boards, Planning Commission	Village/town/district/divisional administration	State departments, central ministries

#### EXAMPLE—EDUCATION INDICATOR

Education provides a classic case of enormous variety in the social context of India: To start with, there is a striking imbalance in education between urban and rural areas. Further, our universities receive 80 per cent of students and graduates from the top 20 per cent of society (Malhotra, 1977). The poverty sector—which covers the majority of our people—is barred from these institutions. The 50 per cent wastage in general university education and 20 per cent in professional education coincides with the 50 per cent in the poverty sector of the country. Finally, there is the known fact of only 29.6 per cent literacy in the Indian population, the ratio being far more unfavourable for females than for males.

In order to study the educational and training possibilities in the context

of our varied community and subsequent design of institutions around these considerations, 'positional' indicators can be proposed for education and the same made operational either with primary field survey data or secondary census data.

For this purpose, dimensions of 'positional' indicators have to be identified first, on the following lines :

- (i) Level of education: Illiterate, literate without educational levels, primary, middle, secondary (matric), college and university, technically trained;
- (ii) Years of formal education: possibly correlated with the above;
- (iii) Classes: poor peasantry working for others (with or without land), middle peasantry (own cultivation), rich peasantry (employer), landlord (employer and lease-holder);
- (iv) Skill: mechanic, blacksmith, mason, leather-worker, Khadi-spinner/weaver/dyer, teacher, nurse, etc.
- (v) Sex: male, female
- (vi) Age: 'scores' for intervals;
- (vii) Caste: high, low;
- (viii) Motivation: strong, weak, absent;
- (ix) Felt need: exposure to utility of education, absence of it.

Making the first two explained variables, normal regression analysis can be performed and the impact ascertained of classwise, skillwise or otherwise variations, preparation of input formats and codes, carrying out pilot discussions; conduct of surveys and testing of results will follow the normal routine for social science research.

Comparison between two sets of 'positional' indicators at different points of time or for different areas can lead on to 'performance' indicators perhaps after being tagged on to 'perspective' indicators obtained through Delphi survey. The problem of comparing 'positional' indicators as arrays has to be solved and recourse to factor analysis is recommendable by putting all data together.

#### MODEL FOR EDUCATION INDICATOR

Dimensions of 'positional' indicators which reveal large variations are identified in the above exercise. What follows is an attempt to derive a conceptual single summary figure which can be based on observations and will, therefore, be fairly quantitative; and which can tell us about changes in the educational aspect of social life that are taking place in it from present to future. Following Store (1973), this may be made into a synthetic series usable for current analysis, assessment of progress and determination of future policies.

The parameters which are likely to emerge as having large variations are the following :

- (i) Fraction of population educated in different categories, viz., class wise, skillwise, agewise, sexwise and castewise. Singly or jointly these categories may form sub-sets of a linear set, any of whose typical elements may be called  $k$ . Let this be  $N(k)$ .
- (ii) The average number of years spent on the specified level of education attained by any category  $k$ . As stated before, these two parameters may turn out to be highly correlated and any one variable could be considered. Let this be  $L(k)$ .

While the above two parameters are physically observable, they do not reveal the quality of education received in relation to quality of rural or urban life. This being one of the two main thrusts of our model, let us define 'Gutengesellschaft' for education as follows :

- (a) to provide material power and knowledge for obtaining better levels of food, clothing and housing, apart from sanitation, medical facilities and other welfare measures;
- (b) to provide intellectual power and knowledge for obtaining better degrees of freedom, security and identity at individual level, and better degrees of equality, social justice and scope for diversity societal level; and
- (c) to satisfy and stimulate the need for thinking and planning for the future.

It is evident that the more (a) and (b) above meet or exceed the minimum needs level, the greater will be the chances to approach 'Gutengesellschaft'.

Quality (Q) of education can be assessed with reference to different evaluating criteria such as *capability*, *effectiveness*, *efficiency*, *inter-relation* and *accessibility*. Some of these criteria are exemplified below:

$$(i) \text{ Capability} = N(k)/N'(k),$$

where  $N'(k)$  is the number of people from category ( $k$ ) for whom there is a minimum need for education, irrespective of caste, class, skill, age or sex. Capability is meant to measure the extent to which education will satisfy the perceived individual need (a) above.

$$(ii) \text{ Effectiveness}$$

This is the extent to which education has been able to satisfy the perceived individual and societal needs (b) above.

For both (i) and (ii), a subjective rating mechanism can be developed.

## (iii) Efficiency

This is the productivity approach, in terms of the amount of output service per unit of input resources. This can be measured as follows:

- either  $\frac{N(k) \text{ or } L(k) \text{ or Students (k)}}{\text{No. of teachers employed (converted into full-time)}},$
- or  $\frac{N(k) \text{ or } L(k) \text{ or Students (k)}}{\text{Total man-hours spent in educational teaching}},$
- or  $\frac{N(k) \text{ or } L(k) \text{ or Students (k)}}{\text{Total direct cost (discounted salary, material, overheads) of educational teaching}}.$

## (iv) Inter-relation

This occurs if there is overlapping among different forms of educational teaching and can be measured by aggregating the number of hours shared and the frequency of sharing.

## (v) Accessibility

This caters for the limited access and opportunity for availing of a given education service for any category (k). For a given time or distance, this is measured as follows:

- either  $\frac{N(k) \text{ or } L(k) \text{ or Students (k)}}{\text{Round-trip time between the educational centre and the dwellings of category (k)}},$
- or  $\frac{N(k) \text{ or } L(k) \text{ or Students (k)}}{\text{Round-trip distance as above}}.$

The need for appropriate 'weights' for the above five criteria, use of Delphi method and aggregation by simple multiplication, addition or suitable trade-offs will be discussed at later stage of the article as for communication indicators.

Value (V) of education with regard to the social norms and goals can be determined only by subjective assessment and should take into account (c) above. Application of a 'normalised' scale between 0-100 and Delphi method again are of advantage, and should be guided by knowledge and usage of at least the following parameters (Council of Social Development, 1971): (i) Fertilisers; (ii) Family planning; (iii) Agricultural credit; (iv) Irrigation facilities; (v) Number of schools/colleges; (vi) Number of libraries; (vii) Number

of play-fields; (viii) Number of daily newspapers received; (ix) Administrative expenditure on education; and (x) Number of book-shops.

Finally, a synthetic education indicator should be derived by aggregating the following:

$$(\text{Education Indicator}) \ k = N(k) * L(k) * Q * V.$$

Methods of aggregation can again be computational (*viz.*, add or multiply) ratio or trade-off form, depending on its sensitivity to small changes in the given parameters. Such an indicator is strictly relative, time-dependent and needs review in keeping with the changing values, goals and norms of a homeostatic society.

Extension of the concept for global aggregation (over various *k*-categories, different areas and changing time-periods) should be attempted carefully after keeping in view considerations of homogeneity and ergodicity of the given statistical data. For data series, which are homogeneous and ergodic, further synthesis should be feasible to derive meaningful insights into the social phenomena and quality of life.

A final illustration of an inter area comparison of education indicator can be of the following form :

*For time-period T*

	N (k)	L (k)	Q					V					
			1	2	3	4	5	1	2	3	..	9	10
Village 1													P <sub>1</sub>
Village 2													P <sub>2</sub>

One can carry out a principal component analysis by using the above matrix (of 17 factors as columns and, say, *N* villages as fews); deriving a (*N* × *N*) square matrix by multiplication with its inverse matrix; taking out the characteristic roots of an eigen-victor (through Jacobi's method) which can explain the maximum variation among the events; and using the roots as a performance index for each village. Using such matrices over different time periods (say, for the census and growth-centre data for 1951, 1961 and 1971) for intercomparison will require a sophisticated use of canonical analysis. One such research study by the author is in progress.

## SOCIAL COMMUNICATION—A FUTURISTIC MODEL

### THE 'CHANGE-AGENT' APPROACH

Participative planning has shown that it produces greater increases in satisfaction with work than planning by others (Ackoff, 1976). The reason is that participation, which is a form of self-control, is itself a major source of satisfaction and hence of improved quality of life.

The process of social transformation visualised for the future can be accomplished from within the system as long as the changes do not violate the basic fundamentals on which the system is based (Spangler, 1977). On a human level, reason, logic and most kinds of planning and strategy-formation can create changes but tend to operate on different 'premises' or rules and can best be introduced by a force—called 'change-agent'—from outside the system. Intuition, imagination and inspiration, on the other hand, often introduce insights and ideas which are potentially transformative and can be best guided from within the system.

Technological changes, taking place all around us, take the form of upgrading traditional technologies (for crafts and cottage industries); adoption of low-capital, low-energy and high-labour technologies (intermediate, alternative, appropriate, relevant, scaled-down); and introduction of high technologies which incorporate the most recent benefits in the atomic energy, space, electronics and life sciences. Such changes being about cultural changes (in terms of basic value, ethics, articulation and integration of the society) and are often resisted (Foster, 1973). Caste and class factors, locus of authority in family and village community, nature of factions, etc., often put up barriers to social changes. There are psychological changes involving individual and group motivations, communication problems, the nature of perception and participation, and the characteristics of the learning process,—which have barriers of their own.

On the other hand, rural people today are increasingly in touch with urban centres through radio and other mass media, relatives who have migrated to cities and improved education in their own villages. People have time and again proved pragmatic and, once convinced that old ways are less desirable than new ways, have proved conducive to make major changes in their behaviour. With perceived opportunity and supportive conditions that make realisation of success—both economic gain and achievement of prestige and high status—a reasonable hope that social, cultural and psychological barriers can weaken or dissolve remarkably quickly. Change agents in our community can play a significant role in aiding the social communication for the above process of transformation for the future.

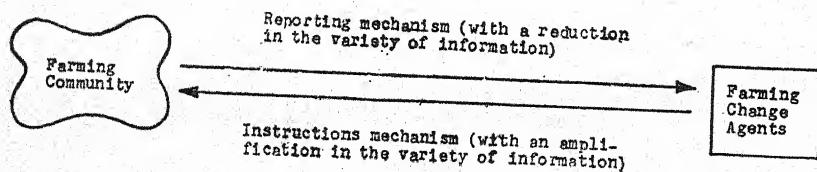
## NATURE AND HIERARCHIES OF 'CHANGE AGENTS'

To illustrate our approach, we identify three fields: agriculture, public health and family planning. In these areas some communication experiments were once conducted (Kivlin, 1968) to induce adoption of modern practices through two communication treatments: radio farm forums and literacy training classes, with the following objectives :

1. to determine the impact of different means of communication on agriculture, public health and family planning practices;
2. to identify the factors affecting acceptance of innovation; and
3. to describe the total process of diffusion of innovation.

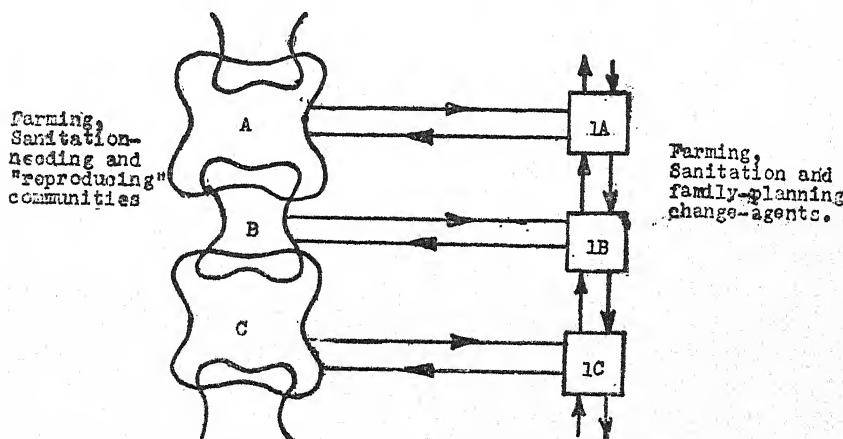
The change agents involved were block development officers, midwives, block doctors, village level workers, agriculture development officers (ADOs) for agriculture, ADOs for cooperatives, ADOs for panchayat, veterinary doctors, school masters, *pradhans* (presidents of village councils) and block *pramukhs* (heads of block councils).

Following Beer (1972), we apply a hierarchical structure concept to the organisation of above. At the village level, there are farmers who need help in improving agricultural practices and, therefore, change agents should communicate to them clearly and comprehensively on these matters. If the communication is to be meaningful, the change agents, in turn, must receive adequate information from the farming community about their difficulties and tales of woe. This two way communication process must relate to such agricultural practices as new methods of paddy cultivation, improved seeds and seed treatment, line sowing of wheat (having seeds with optimal planting distance), improved potato seeds, green manure, use of fertilisers (especially superphosphate and ammonium sulphate), use of insecticides, use of modern plough (*i.e.* steel or iron mould-type implement), multiple cultivation (3 to 5 times) and inoculation for animal disease. While there has to be a flow of information reports (verbal or non-verbal) from the farming community to the farming change agents with the latter capable of grasping the ground impact of changes and planning action, there has to be communication from the change agents to the farmers on how to implement changes and take ground action in a suitably elaborate manner. The two way communication process would then look somewhat as follows :



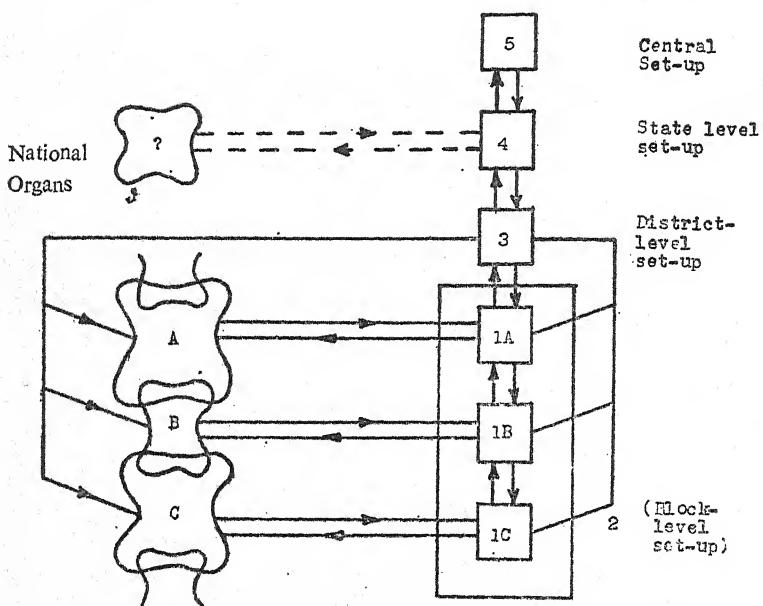
The same considerations apply for the two way flow of information between the public health change agents on one hand and the sanitation-needing community, covering such items as PRAI latrines (*i.e.*, waterseal latrine developed by the Planning Research & Action Institute), smokeless chula (*i.e.*, stove), bed-bug killer, modern child birth practices and TABC (*i.e.*, inoculation for cholera and typhoid). Again, a similar communication process can be envisaged between the family planning change agents and the community of present and prospective parents, concerning various methods of birth control such as vasectomy, IUCD loops, sheathes (condoms), vaginal foam pills, female sterilisation, abstention, oral pills, rhythm diaphragms, withdrawal, and so on. Together, the three kinds of community (with a degree of overlap) and their change agents (with linkages) resemble the following:

Reporting mechanisms



Instruction mechanisms

At the block level, obviously, coordination is necessary among the village level change agents for suitable planning and control purposes. This can be provided by block development officers and the block organisations. The next higher level is normally that of the district which normally interacts with the block level organs, but can get involved, if necessary, direct with the village level communities and their change agents. Then there is the State level departments and planning boards which not merely have to maintain linkages with the district set-ups, but also have to liaise with the centre at one hand and to perceive, interpret and utilise any other useful external information by having interfaces with various national institutions and organisations. The sum total of the above hierarchical approach may look like the figure on next page, with the implicit assumption of homeostasis, or, stable and mutually harmonious existence of the interlinked and interdependent levels.



The above approach highlights the scope of adequate compression of communication flowing to change agents at higher and higher levels (so as not to exceed their comprehensive power by being excessively detailed reports, as happens often); the scope of expansion of communication flowing to lower and lower agents and communities (so as to cover their manifold needs with adequate details); need for coordination and integration at higher levels, the chances of delegation (and risks of over-concentration) of decision taking powers, and the visualisation of different planning and control levels based on a difference in perception of responsibility.

#### MODEL FOR COMMUNICATION INDICATORS

Constructing communication indicators up to district levels should take into cognisance the standards and norms for various communities as related to their social aspects. It is important to note that in different areas, there is varying literacy, organised social forums, and distinctive political (or trade union) affiliations. To that extent differential attitudes (passive or active) towards social problems are likely to have formed under leadership, after surrendering such extraneous factors as emotions, socio-religious customs and taboos.

Within social norms of an urban or rural area, communication can be viewed as a process ' $ijk$ ' which emanates from medium  $i$ , has a content  $j$ , and is meant for target audience  $k$ . The variations in the elements ' $ijk$ ' are

illustrated below :

- (i) The medium  $i$  may be telephones and telegrams, radio and television; posters and wall-news; pamphlets, leaflets and other special publications; films and slide-projections; live drama; music and poetry recitals; personal contacts, rumours and catchy slogans; rallies; processions and mass events; and exhibitions.
  - (ii) The content  $j$  may relate to messages meant for specific individuals or audiences or the public at large; messages may be purely entertaining or just informative or highly interpretative; if messages are to have a social meaning, they may try to promote not merely ideals but also an individual's well-being measured in terms of security and job-opportunity or the messages may try to generate trust in hard work, dependence on discipline, sense of perspective in prosperity, benefits of communal life and growth of confidence in the government.
- Normal emphasis should be on the advantages to prospective participants, notably increased incomes and/or improved wellbeing. Few development programmes or projects explain the economic and social logic behind development measures to potential participants. But it is, or should be, true that achievement of a significant change will enable creation of a better environment. These kinds of national or regional goals can be made meaningful through communication strategies at the local level.
- (iii) The target audience  $k$  may be subdivided by literacy, class (occupation and income), age, sex and belonging to specific groups (caste, religion, language.).

A communication device may be involved in either a non-iterative or an iterative process. In the former, a 'pulse' ( $ijk$ ) is generated as a stimulus and a response identified. An iterative process may be visualised to be in dynamic equilibrium in which 'pulses' are generated, information is obtained on the perceived needs by controlled feedback, consistencies are identified and rectified 'pulses' are generated again. In the latter process, communication can gain on its utility to the urban community by reaching more men, by an increase in the frequency (or duration) of people's exposure, by improving the quality of 'pulses' and by serving the social goals and values.

The utility measured  $U(ijk)$  of a 'pulse' depends at least on the following variables :

- |          |   |
|----------|---|
| N( $k$ ) | =The number of people from category ( $k$ ) who participated in the communication process in a given time period; |
| L( $k$ ) | =The average length of time for which target-audience ( $k$ ) is served by the communication process;             |

w       $Q(ijk)$  =The quality of the 'pulses'; and

w h       $V(ijk)$  =The value of the 'pulses' with regard to the social goals.

The information on the number of people (N) from various categories of population participating in the communication process and their average period of exposure (L) can be found from the files and records of the organisations responsible for communication. Usefulness of the data will depend on the extent to which estimations and extrapolations are resorted to.

Following similar evaluation as for education indicators, quality (Q) of communication can be assessed with regard to different evaluating criteria, such as, capability, effectiveness, efficiency, inter-relation and accessibility. Some of these are illustrated below:

(a) *Capability*= $N(k)/N'(k)$ ,

where  $N(k)$  is the number of people from category (k) for whom the need for the communication process has been accepted. In other words, capability measures the degree to which the communication device will satisfy the perceived need. Another measure of capability is the average time between acceptance of need and the actual starting of the 'pulses'.

(b) *Effectiveness*

This is the extent to which the 'pulses' have been used to achieve the community goals and values. A subjective rating mechanism can be developed to judge how successfully a communication medium (i) has served a target-audience(k).

(c) *Efficiency*

This is the amount of output-service per unit of input-resources. The measurement can be as follows:

either  $\frac{N(k) \text{ or } L(k)}{\text{Number of men employed full time in generating 'pulses'}}$ ,

or  $\frac{N(k) \text{ or } L(k)}{\text{Total man-hours spent in generating 'pulses'}}$ ,

or  $\frac{N(k) \text{ or } K(k)}{\text{Total direct cost of generating 'pulses'}}$ .

(d) *Inter-relation*

This is the extent of consultation and cooperation among the communication media. Measurement is possible by aggregating the frequency of sharing and the number of men (or man-hours) shared.

(e) *Accessibility*

This is the extent to which a communication medium (*i*) can be available for a target audience (*k*) within a given time or distance. The measurement can be as follows :

either	$N(k)$ or $L(k)$ <small>,</small>
	Round trip time between the regional centre of the media and the town or village target- audience <i>k</i>
or	$N(k)$ or $L(k)$ <small>,</small>
	Round trip distance as above

It is necessary to obtain proper 'weights' for the quantified measures derived with regard to the five criteria as above and to transform the 'weighted' measures into appropriate utility values by the use of utility-criterion relationship, use of Delphic technique with a panel of experts is recommended for this purpose. Thereafter utility values should be aggregated to produce single quality rating  $Q(ijk)$  for the 'pulse'. The aggregation may be done by simple addition or multiplication if the criteria are independent of each other, or through known trade offs if the criteria are interdependent.

The value of the 'pulses'  $V(ijk)$  with regard to the social norms and goals can be determined only by subjective assessment. Use of a standard scale of 0-100 (ranging from 'not relevant' upto 'very essential') is recommended for giving scores to the 'pulses' by the use of either Delphi technique or the method of paired comparison.

Last of all, an attempt should be made to derive a combined utility measure  $U(ijk)$  of the 'pulse' in terms of  $N$ ,  $L$ ,  $Q$  and  $V$ . Alternatives on the possible aggregation are simple addition, simple multiplication, trade-off combination or ratios. The criterion for selecting a particular aggregation method is its reasonable behaviour within a given area.

It has to be noted that the utility measure  $U(ijk)$  is strictly relative and does not have an absolute value, unlike the measurement of  $N$  and  $L$  which have absolute values. Further,  $U(ijk)$  is dependent on time and requires continuous revision and updating to maintain conformity with the dynamic social community in a given urban or rural area.

### PARTICIPATION AND ALIENATION

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Apart from problems similar between rural and urban areas, there are some which are markedly dissimilar as one moves from a rural through urban to a metropolitan area. The spirit of community, with a natural urge towards communal participation, concern for fellow members and allegiance to common institutions (often handled down from father to son) are progressively absent towards the urban end. From the viewpoint of social participation, interdependence is not necessary for human survival in extreme metropolitan areas. Evidently, the indifference to others implicit in callously withdrawn segments explains neglect and the big city's decrepitude. Spangler (1977) described this graphically for small town (applicable even more to villages) and large metropolitan cities as follows :

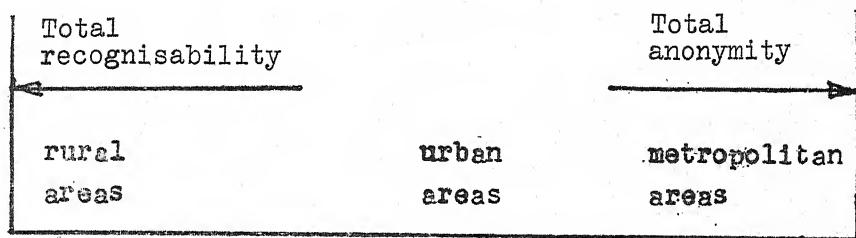
... In a small town, there is more of a feeling of how the town's institutions, like the banks, the hospitals, the food stores, the service industries, the government, the police and so on, fit together and arise together out of the wholeness of the community. People know each other; there is a sense of personhood like an aura of *connectability* around the functional roles individuals assume in their daily jobs. The banker is not just a financial official; he is the fellow next door, or the volunteer fireman, or a member of a service club. He is a person, community is not just the presence of interrelated social functions, a pattern of parts working in specialised fields making a whole system operate. It is a spirit of *familiarity*, a spirit of *shared personhood*, a spirit of the presence (and the potential) of connections and bonds beyond the functional.

In a large city, the magnitude of the social needs and the size of the institutions that must meet them obscure this extra dimension. Interchangeability becomes a virtue; efficiency and swiftness of function seem necessities because there is so much to do; the interactions of personhood only slow down the process and make interchangeability different (how can you interchange unique persons?). Thus, we come to see the institutions of the society (which in a small context help to define the meaning and sense of community) as faceless, impersonal and unresponsive to our personhood. They do not communicate a sense of community but a sense of isolation, of loneliness, of being a number or a thing.

Another point of difference lies in the 'social image' which a person from a rural or small urban area is likely to have of himself as compared to his compatriot from the metropolitan area. Due to unique inter-personal relationships, developed through individual contacts (of the kind mentioned above) and overlapping gatherings of interest groups, the village or small town person is perhaps recognised by most of his confreres and would feel

reassured about his social acceptance. The absence of these precise features would make a metropolitan man have a contrary 'social image' of himself which could anything but bolster up his socialising ego.

We assume that the above two theses have the potential of providing the bedrock of meaningful social planning with reduced alienation and increasing community participation. We can then hypothesise an 'alienation' scale of value ranging from '0' for total recognisability to '1' for total of anonymity, and determine homogeneous clusters of a community category from rural, urban and metropolitan areas on this scale as follows:



Alienation-Scale  
(for a specified community category)

Adequate sampling is needed to arrive at the above clusters and any suitable 'scoring' technique can be used for this purpose. 'Scores' could be assigned based on indepth interviews with person belonging to different community categories (class, skill, age, sex, caste or some permissible combination of these categories) on the following lines:

*(a) People's image of quality of life*

1. Does one feel society going in the right direction?
2. What is one's measure of satisfaction in living?
3. To what extent are minimum common welfare needs being satisfied?
4. If happy, why so? If not, why not?

*(b) Scope of alienation (0 to 1)*

5. What does one get from society?
6. What does one give to society?
7. What role does one play to contribute to the total functioning of society?

*(c) Nature of alienation (0 to 1)*

8. Does one feel society working against one's interest? In which way?

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9. Are there cases where society has not taken adequate care of oneself and does not fall in line with one's expectation? Does one then feel integrated/alienated?
  10. How does one conform to a different society—changing one's own views, or, trying to convert others to one's views by persistent efforts?
  11. What does one do in cases of antagonism—in the family, in the kin-group, among the same class, among village/town people?

*(d) Outcome of alienation*

12. Does a specified level of antagonism lead to personal enmities? If so, what are these states?
13. For this antagonism, does one feel to be a marginal man as not integrated in one's own community which one prizes most and not finding a place in wider community as well?
14. Does this antagonism lead to social ostracisation or feeling of rejection that one does not matter at all?
15. Does this antagonism lead to a power struggle as a matter of prestige until one is eliminated completely, or, taken back into the fold if one either makes amends or fall in line with the majority thinking?

After aggregating the 'scores' for a single category and obtaining the clusters for different categories, a rank ordering for communities is possible among different areas. This exercise can also reveal a social organisation's alienating people and reasons for doing so. Existence and extent of power groups, e.g., panchayats and caste organisations, as contributory to alienation can be brought out, along with the insight as to how far the perceived alienation is birth oriented and application oriented and not choice oriented (say, by subscription).

Such insights are helpful for explaining and planning remedial action, depending on the nature, degree, persistence and priority of alienation. The above holistic approach, to that extent, is helpful in providing a comparative basis for participative social planning, and leading to a higher quality of life for future.

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## Appendix A

### **SOCIO-ECONOMIC INDICATORS FOR DEVELOPMENT PLANNING**

#### **I. POPULATION**

1. Growth rate\*\*
2. Birth rate\*
3. Death rate\*
4. General fertility rate\*
5. Net rural-urban migration rate\*
6. Percentage of urban population\*

#### **II. HEALTH AND NUTRITION**

1. Expectation of life at birth
2. Infant mortality rate\*
3. Mortality rate of children aged 1-4\*
4. Maternal mortality rate\*
5. Standardized mortality rate for communicable diseases\*
6. Prevalence rate of illness\*
7. Number of hospital beds per 100,000 of population\*\*
8. Number of physicians and surgeons per 100,000 of population\*
9. Number of nurses and midwives per 100,000 of population\*
10. Ratio of occupied bed-days to available bed-days\*\*
11. Per capita daily consumption of calories\*
12. Per capita daily consumption of proteins\*
13. Percentage of households with aggregate calorie intake below the minimum required\*
14. Percentage of households with aggregate protein intake below the minimum required\*
15. Percentage of primary school children considered underweight\*\*

#### **III. HOUSING AND ENVIRONMENT**

1. Percentage of households without homes\*\*
2. Percentage of households in permanent or semi-permanent dwellings\*\*
3. Percentage of households with access to safe drinking water\*
4. Percentage of households with access to toilets of an acceptable type\*
5. Percentage of households using electricity for domestic purpose\*
6. Percentage of households with more than two persons per room\*
7. Ratio of growth in number of dwelling units to the growth in the number of households\*\*
8. Percentage of households living in densely populated areas\*

#### IV. EDUCATION AND CULTURE

1. First level gross enrolment ratio\*\*
2. Second level gross enrolment ratio\*\*
3. Third level gross enrolment ratio\*
4. Percentage of girls in second level enrolment\*\*
5. Percentage of science and technology enrolment at third level\*
6. Student-teacher ratio at first and second levels\*\*
7. First level graduation rate\*\*
8. Second level graduation rate\*\*
9. University degree holders per 100,000 of population\*
10. Adult literacy rate\*\*
11. Books published per 100,000 of population\*
12. Circulation of general daily newspapers per 100,000 of population\*
13. Radio receiving sets per 100,000 of population\*
14. Capacity of cinema houses per 100,000 of population\*

#### V. EMPLOYMENT, WORKING CONDITIONS AND SOCIAL SECURITY

1. Percentage of the population of working age employed\*\*
2. Percentage of employed population engaged in agriculture\*\*
3. Percentage of women in non-agricultural employment\*\*
4. Percentage of the economically active population unemployed in the age-group (a) 15 to 24, and (b) 25 and over\*
5. Percentage of the unemployed population who have completed second level of education or above\*
6. Index of real earnings of employees\*
7. Working days lost per employee on account of industrial accidents, industrial disputes and absenteeism\*
8. Percentage of the economically active population who are members of trade unions\*
9. Percentage of the economically active population covered by social security schemes

#### VI. SOCIAL DEFENCE AND WELFARE

1. Crime rate per 100,000 of population\*\*
2. Juvenile delinquency rate per 100,000 of juvenile population\*\*
3. Government expenditure on public order and safety per 1000 of population
4. Government and private institutional expenditures on social welfare services per 1000 of population
5. Number of inmates of welfare institutions as a proportion of the relevant group in the population\*

**VII. INCOME, CONSUMPTION AND WEALTH**

1. Average available income per household\*
2. Per capita household consumption expenditure at constant prices\*\*
3. Percentage of household consumption expenditure on food\*
4. Consumption expenditure of the bottom 25 per cent of the households (arranged according to household/per capita expenditure) as a proportion of the total consumption expenditure of all households\*
5. Ratio of the average consumption expenditure of the top 5 per cent of households (arranged according to household/per capita expenditure) to that of the bottom 25 per cent\*
6. Percentage of land owned by the top 5 per cent of land owners (arranged according to the size of land owned)\*
7. Percentage of land owned by non-cultivators\*

\*To be compiled at regional (State) level.

\*\*To be compiled at sub-regional (district) level.

May be split up, if necessary, into two sub-indicators: one for the primary stage and the other for the middle stage.

**Appendix B**  
**SOCIAL DEVELOPMENT INDICATORS**

**A. POPULATION**

1. Size of the population
2. Annual growth rate
3. Proportion of urban and rural population
4. Size of households (family size)
5. Dependency rate:
  - (a) Total dependency rate—children and persons as percentage of active persons in the age-group 15-64
  - (b) Child dependency rate—children less than 16 as percentage of total active persons (age-group 15-64)

**B. EDUCATION**

1. Literacy rate
2. Enrolment levels (proportion of age-group population)
  - (a) Primary
  - (b) Middle
  - (c) Secondary:
    - (i) General
    - (ii) Vocational
  - (d) University:
    - (i) General
    - (ii) Professional
3. Availability of institutions:
  - (a) Number of villages not having primary schools within a distance of 1.5 km
  - (b) Number of villages not having a middle school within a distance of 4 to 5 km.
  - (c) Proportion of middle schools to primary schools
  - (d) Proportion of secondary schools to middle schools
4. (a) Rate of dropouts per 100 pupils in primary and middle schools
  - (b) Rate of failures in secondary school final examination per 100 pupils.
  - (c) Pupil-teacher ratio:
    - (i) Primary
    - (ii) Middle
    - (iii) Secondary

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## 5. Per capita expenditure on education at state and national levels:

- (a) Primary
- (b) Middle
- (c) Secondary

## 6. Number of libraries:

- (a) Public
- (b) Private

**C. HEALTH**

## 1. (a) Life expectancy at birth

- (b) Rate of infant mortality
- (c) Rate of maternal mortality
- (d) Age-specific death rate

(e) Rate of incidence of diseases (morbidity rate) in general and in particular for diseases such as malaria, T.B., Leprosy, V.D., etc.

(f) Prevalence of water-borne diseases

(g) Birth rate

(h) Death rate

## 2. (a) General fertility rate

- (b) Response rate (new acceptor per 1000 population couples per year)
- (c) Percentage protected at a particular point of time

## 3. (a) Doctor-population ratio:

- (i) Rural areas
- (ii) Tribal areas

## (b) Bed-population ratio:

- (i) Rural
- (ii) Tribal

## 4. Per capita investment in health services

## 5. Nutrition and clothing:

- (a) Per capita availability of cereals
- (b) Per capita availability of milk and milk products
- (c) Vitamin A deficiency
- (d) Height and weight of children upto the age of 14
- (e) Per capita availability of coarse cloth in metres

**D. HOUSING AND WATER SUPPLY**

1. Number of households without houses per 1000 in rural areas
2. Number of households without houses per 1000 in urban areas

3. Number of households without house sites per 1000 in rural areas
4. Number of households without house sites per 1000 in urban areas by size of towns
5. Distribution of 'kutcha' and 'pucca' houses in rural areas
6. Number of households per 1000 enjoying hand flushed and conservancy latrines in rural areas
7. Number of households not having water borne latrines in urban areas
8. Number of households in one room or less accommodation in urban areas
9. Number of towns not having safe community water supply
10. Number of villages not having assured safe drinking water within a distance of 1-2 km.
11. Per capita water consumption in urban areas
12. Number of households per 1000 having water connections in their premises in urban areas

#### E. EMPLOYMENT AND LABOUR

1. (a) Percentage of working force to total population  
(b) Percentage of working force in agricultural occupations to total working force population  
(c) Percentage of working force in industrial callings to total working force population
2. (a) Number of Employment Exchanges  
(b) Number of candidates registered:  
    (i) Educated applicants  
    (ii) Uneducated applicants  
(c) Number of applicants on live register  
(d) Proportion of candidates placed in appointment
3. (a) Per capita earning (annual average) of industrial workers  
(b) Minimum rate of wage for agricultural workers
4. (a) Magnitude of unemployment  
(b) Percentage of the uneducated workers unemployed:  
    (i) Urban  
    (ii) Rural  
(c) Percentage of technically educated workers unemployed:  
    (i) Urban  
    (ii) Rural  
(d) Percentage of technically educated workers unemployed:  
    (i) Middle with technical training  
    (ii) Secondary  
    (iii) Graduates (urban-rural)

5. (a) Number of man-days lost due to strikes in industries:
  - (i) Public undertaking
  - (ii) Private
- (b) Number of man-days lost due to lock-outs in industries:
  - (i) Public undertaking
  - (ii) Private
6. (a) Total expenditure on total security system
  - (b) Per-capita expenditure on workers
  - (c) Annual number of industrial injuries and accidents
  - (d) Number of hospital beds per thousands of workers' population
7. (a) Number of trade unions
  - (b) Number of membership of the unions
  - (c) Average size of a union

#### F. COMMUNICATION AND OTHERS

1. Development of communications:
  - (a) Number of villages not connected with all-weather roads
  - (b) Number of villages not having a bus-stand within a distance of two kilometers
  - (c) Number of villages not having post office within a distance of 2 km.
2. Exposure to mass media:
  - (a) Number of radios per 1000 households in rural areas
  - (b) Number of dailies circulated per 1000 households in rural areas
  - (c) Number of cinema houses per 100,000 population in rural areas
3. Changes in institutional development:
  - (a) Number of villages not having a cooperative-cum-marketing structure
  - (b) Number of villages not having a market centre within a distance of 2-3 km.
  - (c) Number of villages not having facility for banking within a distance of 2-3 km.

#### G. SOCIAL WELFARE AND SOCIAL SECURITY

1. Total number of children covered by child development services (such as of integrated child care services, Bal Bhavan, Balwadi).
2. No. of educational scholarships awarded to handicapped persons

3. (a) Number of special/approved/certified institutions for children  
(b) Number of Borstal schools  
(c) Number of Probation Officers/Reformation Officers
4. (a) Number of persons in receipt of old-age pensions  
(b) Number of persons receiving public assistance other than old-age pension

#### H. CRIME AND JUSTICE

1. (a) Number of offences reported  
(b) Number of persons under trial  
(c) Nature of offences reported:
  - (i) Dacoity
  - (ii) Robbery
  - (iii) Murder
  - (iv) Riot
  - (v) Burglary
  - (vi) Cattle theft
  - (vii) Kidnapping and abduction
  - (viii) Miscellaneous (IPC only)
  - (ix) Other thefts
2. (a) Number of police stations  
(b) Number of out-posts  
(c) Number of fire stations
3. (a) Volume of civil cases  
(b) Volume of criminal cases
4. Number of children's courts in the country.

**Appendix C**  
**QUALITY OF LIFE INDICATORS**

<i>Quality areas</i>	<i>Indicators used</i>
1. Income	Per capita money income adjusted for cost-of-living differences;
2. Unemployment	Per cent of labour force employed;
3. Poverty	Per cent of households with less than \$3,000 income;
4. Housing	Cost of housing a moderate-income family of four;
5. Education	Selective Service mental test rejection rate;
6. Health	Input ( <i>i.e.</i> , under 1 year) deaths per 1,000 live births;
7. Mental health	Suicides per 100,000 population
8. Air pollution	A composite index of pollutants;
9. Public order	Reported robberies per 100,000 population;
10. Traffic Safety	Deaths from automobile accidents per 100,000 population;
11. Racial Equality	Ratio between non-white and white unemployment rates;
12. Community concern	Per capita contribution to United Fund appeal;
13. Citizen participation	Per cent of voting age population that voted in recent presidential elections;
14. Social disintegration	Known narcotics addicts per 10,000 population.

# **The Potential Contribution of TNCs in Promoting Industrial Development in Developing Countries**

**J. L. Bajaj**

THE ROLE of TNCs in promoting industrial development in developing countries has been extensively debated by economists and policy makers for a number of years. The purpose of this paper is to clarify some of the issues involved, assess the potential that exists for TNCs to contribute in this area and identify actions which host governments might take to tap this potential. This paper briefly reviews the challenge posed to developing countries by low growth rates in industrialised countries coupled with hike in the real price of oil and examines trends in the flow of foreign direct investment and the changing roles of TNCs. The paper further assesses the contribution of TNCs in providing capital resources, management and marketing services, access to developing country markets and flow of technology and technological services to developing countries. It then analyses the challenges to the policy of self-reliant growth posed by the presence of TNCs and the strategies that developing countries could adopt for maximising TNC's contribution towards their industrialisation programmes. Lastly, the paper examines the scope for collective self-reliance and mutual cooperation between developing countries in fostering growth in these countries.

## **CURRENT INTERNATIONAL ECONOMIC ENVIRONMENT IN DEVELOPING COUNTRY CONTEXT**

Economic growth in industrialised countries impinge on the growth prospects of developing countries since industrialised countries purchase nearly two-third of exports of developing countries and are their primary source of capital and technology. In 1960s the growth rate of industrialised countries averaged at 4.9 per cent annually but decelerated to 3.4 per cent annually between 1970-78.<sup>1</sup> Along with lower growth rate industrialised countries have been experiencing inflationary pressures and balance of trade

<sup>1</sup>IBRD, *World Development Report 1979*, Washington, D.C., World Bank, p. 4.

and payments problems inhibiting recovery from the recession of mid-seventies and rendering the outlook for eighties quite uncertain. Industrialised countries being the most important markets for manufactured exports of developing countries, their lower growth rate has also slowed down the annual rate of growth in world trade between 1965-73 to a little over 4 per cent in 1974-77 and of developing country exports from 6.4 per cent to 3.6 per cent a year in the corresponding periods. Exports of manufactured goods from developing countries which exhibited great dynamism till the onset of recession in industrialised countries in 1973 also fell from an annual average of about 15 per cent between 1965-73 to 11 per cent annually in the period 1974-77.<sup>2</sup> If the growth rate in industrialised countries recovers to about 4.2 per cent annually in the eighties and no new impediments are placed on the exports of developing countries, the manufactured exports of developing countries are projected to grow at about 11 per cent annually through nineties.<sup>3</sup> In recent years there has been an increase in protectionist measures, particularly in textiles, clothing and leather industries. USA has also restricted the entry of coloured television sets through orderly market arrangements. In UK there has been pressure for greater protection to domestic industry while Australia has levied tariffs and restricted entry of a number of items through quotas. Such discriminatory protection against exports of developing countries seriously affects the prospects of their growth.

An important factor hindering the growth rate of industrialised and non oil producing developing countries is the increase by OPEC of oil prices which remained unchanged from mid-1977 to the end of 1978 but have been raised substantially in 1979. Since the March meeting of OPEC individual exporting countries have announced ad hoc price increases and in some cases prices have been escalated on two or three occasions. Besides affecting energy cost, the global energy balance is also affected by the policies of a few oil producing countries. Events in one or two countries may create short run bottlenecks in oil supplies even when sufficient oil capacity exists to meet the world demand. In these circumstances, it would be hazardous to predict the future course in world oil supply. Industrialised countries are adjusting to higher oil prices through intensified domestic exploration, use of non oil energy sources and lowered energy intensity of economic growth. The success in this effort is illustrated by the fact that before 1973 energy consumption increased at about the same rate as growth in industrialised countries but since then whereas these economies grew by 9 per cent between 1974-77, increase in energy consumption has been only 3 per cent in this period.<sup>4</sup>

Since fifties income per capita in developing countries has increased at an annual rate of about 3 per cent which represents a substantial improvement

<sup>2</sup>*World Development Report 1979, op. cit., p. 4.*

<sup>3</sup>*Ibid.*

<sup>4</sup>*Ibid., p. 35.*

over their historical performance and also compares favourably with the growth rates achieved by industrialised countries in similar stages of development. There has been a great diversity in the growth rates of individual countries and generally the improvement in gross national product per capita in low income countries of Asia and Africa has been slow. However, even in these countries the industrial sector has grown fastest. In the period 1960-75, the annual output in the industrial sector increased at the rate of 5.4 per cent and 7.9 per cent respectively.<sup>5</sup>

Developing countries have accelerated their growth rates through the strategy of increased investment with varying emphasis on the role of public and private sectors. In 1975, in low income countries gross domestic investment formed 19.1 per cent while in middle income countries it reached 26.1 per cent of gross domestic product at current prices.<sup>6</sup> Considering that domestic savings have been the pre-eminent source of investment, a strategy of industrialisation involves creating conditions which are not linked to the role of foreign enterprises in these countries. In fact, a country may establish conditions normally regarded as necessary for attracting foreign enterprises; protection of local market, liberal conditions for transfer of capital and profits, abjuring nationalisation, facilities for local borrowing, etc., nevertheless it may fail to attract foreign capital because the preconditions for industrial growth do not exist. Such preconditions may include among others : (a) an institutional framework of political, social and economic environment favourable for the emergence of a modern industrial sector, (b) for a majority of developing countries a major restraint on development rate is the slow growth of agricultural production. In these countries there is a close relation between agricultural performance and growth rate, (c) expansion of domestic and if possible external markets for absorbing the production, and (d) a labour force able to assimilate the skills required for factory production.

The next section clearly brings out the issues between foreign investment flows and presence of preconditions for growth listed above.

#### CHANGING PATTERN OF DIRECT FOREIGN INVESTMENT

The estimated book value of the stock of direct foreign investment increased from \$105 billion in 1967 to \$287 billion in 1976.<sup>7</sup> United States continues to be the major source of this investment representing more than half the share of private investment flows to developing countries from 1960-76. Germany and Japan which contributed 5.9 per cent and 3.7 per cent of total flow of foreign investment in 1960 increased their

<sup>5</sup>World Development Report 1978, p. 3.

<sup>6</sup>Ibid., p. 6.

<sup>7</sup>TNCs in World Development—A Re-examination, UN p. 36.

share to 10.1 per cent and 14.3 per cent respectively in 1976.<sup>8</sup>

Despite substantial increase in the flow of investment from \$ 1.7 billion in 1960 to \$ 7.6 billion in 1976, only a small proportion has been directed to developing countries.<sup>9</sup> In the period 1966-77 the proportion of US and UK's investment in developing countries represented 14 per cent and 19 per cent respectively while Germany and France each invested about 30 per cent of their investment in this period in these countries. Japan represented an exception channelling about 60 per cent of its investment to developing countries.<sup>10</sup> Latin America and Caribbean have been the major recipients of these investments with Brazil and Mexico getting most of it while in S. Asia significant amounts flowed to Indonesia only. India, Pakistan and other S. Asian countries have received insignificant inflows in recent years. In Africa the dominant recipient country has been Nigeria which in 1976 accounted for close to 14 per cent of the stock of investment in developing countries. In Middle East foreign investment is heavily concentrated in OPEC countries. In recent years USA which has been the dominant source of foreign capital is itself receiving larger flow of foreign investments. According to the US Department of Commerce, the net inflow of foreign investment in USA increased to \$ 5.6 billion in 1978 as compared with \$ 2.8 billion in 1973. The decision to expand direct investment positions or make new investments in USA may have been spurred by the depreciation of the dollar together with the strong earnings of foreign firms already established in the United States.

The sectoral distribution shows that in 1972, 44.8 per cent of the stock of foreign investment was in extractive sector, 30.3 per cent in manufacturing sector and 24.8 per cent in services and other sectors.<sup>11</sup> Investment in non-fuel minerals has been growing but has varied according to the market conditions and attitude of developing countries. After a decline accompanying the nationalisations of petroleum industries investment in this sector grew rapidly in 1970's specially in Indonesia, Iran and Nigeria, but these did not compensate for the earlier disinvestments in this sector. Investments in manufacturing and service industries specially banking has been steadily expanding and reached more than half the total investment flows to developing countries between 1965-72 with manufacturing accounting for more than a third of total investment.

In 1970s international growth of banks has been due to their role in channelling the flow of petro dollars to the short term money markets as loans of varying durations. The total number of foreign affiliates of world's largest 50 banks increased by 60 per cent between 1971-76 to reach a total of nearly 3000 in 1976. The rate of expansion of banks has been greatest in developing

<sup>8</sup>OECD Development Cooperation Review 1971-77.

<sup>9</sup>Ibid.

<sup>10</sup>Ibid.

<sup>11</sup>United Nations, *op. cit.*, p. 260.

countries although understandably the total stock of foreign affiliates was greater in industrialised countries.

The motivations for foreign investment to maximise profits, minimise costs and diversify to reduce risks have been extensively explored in economic literature. In recent years through increasing investment in the manufacturing sector TNCs have been increasing their role in countries following import substitution policies; taking advantage of relatively lower labour costs in some developing countries and undertaking activities in support of home country enterprises through larger investments in banking insurance and other service industries.

In the past TNCs have preferred to channel their capital, technology and management expertise through branches and wholly owned subsidiaries. In the changing environment TNCs were flexible in regard to their operation and have exhibited willingness to forgo equity participation provided they are able to earn economic rent. Another important development in this area has been the competition to large transnationals offered by smaller firms who are more willing to work within the framework of host country regulations. They have explored new forms of relationships because of the growing size of investments, co-financing of projects, greater availability of loans and more partners in large sized projects to share the risks.

These changes have been due to more stringent host country policies as well as towards ownership and control of TNCs.

#### POTENTIAL TNC CONTRIBUTION TO INDUSTRIALISATION OF DEVELOPING COUNTRIES

Developing countries need for larger capital resources is well recognised TNCs with their extensive operations command vast internal resources and mobilise funds in international capital markets. Through their links with international banks they have access to cheaper capital in host countries. Besides directly providing capital TNCs also stimulate its inflow indirectly by interesting other investors to participate and join in large projects.

Therefore, many developing countries are enlisting their support specially in projects requiring large investments.

From the view point of national economic benefit there is case for encouraging capital inflow if income from resultant investment is greater than the increase in the income of the investor. These benefits accrue to domestic labour in the form of higher real wages and greater employment; to consumers in the form of lower prices and to the government in the form of higher revenues.

TNC operations contribute towards managerial and technical services, create operation capacity for organising and directing large projects and solve eco-technical and logistic problems associated with such projects and for mobilising and assembling inputs required for this purpose. TNC's ability to provide managerial efficiency arises from better training, higher

standard of recruitment and better and faster communications with the parent company and the world. TNCs also train their executives in seeking out opportunities for investment as well as in adapting and developing new techniques to suit particular conditions. The presence of TNC may also result in indirect gains through the realisation of external economies. These gains include training to employees who leave the firm and demonstration effect on domestic enterprises.

TNCs are the dominant and continuing source of technology flow to developing countries. Lately industrial technology is estimated to have increased from \$2.7 billion in 1965 to over \$11 billion in 1975, mostly by way of lump sum payments, fees and royalties. A large proportion of this technology trade is between developed countries and the payments by developing countries amounted to about \$1 billion in 1974. In view of the accelerated programmes of development visualised by developing countries, payments for technology are estimated to increase to over \$6 billion by 1985.<sup>12</sup> Such a large resource transfer necessitates that technology imported by developing countries is appropriate and on suitable terms and conditions.

Transfer of technology has become a thorny issue between developing countries and TNCs and the problems concerning technology transfer and development of domestic technological capabilities will be examined in Section V.

Through their network of affiliates TNCs contribute to activities relating to marketing servicing and distribution which are an essential ingredient to develop export markets. These activities are characterised by substantial scale economies and as TNCs move into manufacturing for export in developing countries it seems likely that much of their advantage as against local enterprises may lie in these spheres. Marketing function of TNCs include advertising, marketing research, provision of information, warehousing facilities, inventory systems, modelling, packaging, etc., all of which require considerable overhead expenditure giving them a substantial advantage over local firms. Through their affiliates and extensive networks and widely known brand name, transnational enterprises can retain their advantage in marketing distribution and financing of trade even without getting involved in manufacturing activities.

Reliable data on the overall share of TNCs in manufactured exports from developing countries is not available but one estimate puts it at 15 per cent for 1970s, two-thirds being contributed by US based TNCs accounting for half the direct investments and one third by European and Japanese based TNCs accounting for the rest of investments in developing countries.<sup>13</sup> Among the developing countries in which TNC's role in manufactured

<sup>12</sup>Rana, K.D.N. Singh, "Selection and Acquisition of Foreign Technology" (mimeo), UN Centre on Transnational Corporations.

<sup>13</sup>D. Nayyar, "Transnational Corporations and Manufactured Exports from Poor Countries", *The Economic Journal*, March 1978.

exports is large are Singapore (70 per cent), Brazil (43 per cent), Mexico and Argentina (about 30 per cent)<sup>14</sup> but it is not so significant in Hong Kong, Korea, India and Pakistan. In countries like Hong Kong and Korea though direct TNC investment in manufactured exports may not be large, an important role has been played by international buying group in the expansion of manufactured exports from these countries.

The contribution that TNCs can make differs from country to country and as between various sectors of production. A poor country where large amounts of capital are required in the priority sector such as resource development or provision of infrastructural facilities may see advantage in enlisting TNC support, while a country which is capable of raising capital from domestic resources and from international financial institutions may make limited use of capital raising potential of TNCs. Similarly, countries with large domestic markets may be able to substitute their imports across a wide range to initiate the industrialisation process but small countries with limited markets do not have this option and may reach the limit of import substituting abilities fairly soon. Such countries may find TNC involvement helpful in promoting exports and overcoming obstacles to entry into export markets. To maximise gains from TNC involvement it should be recognised that TNCs do not necessarily have an advantage in every industry. And even where they have a potential advantage it is not always realised in practice. There are relatively few industries where indigenous capacities are not available at least in some of the developing countries. Countries with relatively advanced industrial capacities may need TNC cooperation only in areas where domestic technological abilities are not adequately developed. On the other hand, the experience of many developing countries has shown that excessive protection for indigenous against foreign enterprises can have negative effects if it acts as a disincentive to growth and innovation. By the same token, however, foreign enterprises may be admitted and may stimulate a rise in productivity in the sector concerned but may itself lose momentum once it has mastered or even destroyed local competition.

#### TNCs AND SELF-RELIANCE

It is widely recognised that undue dependence on TNCs imposes substantial costs to domestic economy. The position of subordination and dependence imposed by TNCs on their subsidiaries and affiliates and centralisation of authority in headquarters does not leave much scope for initiative by the subsidiary management. Foreign enterprises also tend to suppress domestic entrepreneurship. Sectors with greater development potential are taken over by TNCs and domestic entrepreneurs are confined to the secondary

<sup>14</sup>D. Nayyar, *op. cit.*, 1978.

task of providing ancillary support to them. As far as Direct Balance of payment effects are concerned they often show a positive outcome particularly in the extractive sector. An UNCTAD study of 159 firms in six developing countries capturing indirect effects and opportunity cost of scarce local resources conclude that "on a fairly reasonable set of assumptions nearly 40 per cent of the firms in six countries taken together have negative effects on social income".<sup>15</sup> Another 30 per cent of firms indicated that social income generated for host economy was less than 10 per cent of their sales.<sup>16</sup>

The direct costs of imported technology comprise payments made for the right to patents licence know-how trade marks in pre-investment, investment and operation stage. But direct costs may be only a small part of related indirect costs which may arise through over pricing of imports of intermediate products and equipment, profits on capitalisation of know-how and through import of capital equipment, the price of which includes the exporters valuation of the cost of technology. Indirect costs may also arise from the restrictions imposed by the TNCs on the use of technology. A feature of technology transfer to developing countries is that it takes place under imperfect conditions in which sellers have a dominant position and buyers weak bargaining power. In such a situation technology suppliers can dictate terms and conditions on which they would supply technology. These terms may impose restriction on commercial utilisation and development of technology, territorial restrictions lying transferred technology to purchase goods and services within the TNC system, restricting or prohibiting agreements involving competing competitive technology and restrictions on research and development.

In view of the substantial direct and indirect costs from the presence of foreign enterprises, one of the indispensable elements in a strategy for industrialisation in developing countries is the programme for promoting and financing domestic industry and for ensuring that TNCs do not obtain any concessions in the domestic market that are not granted equally to domestic enterprise. Other elements may include reserving certain sectors for domestic enterprise but avoiding excessive protection granting financial incentives for expanding existing and setting up new enterprises, setting up industrial financing institutions with adequate resources, granting protection to domestic units against unproductive forms of foreign competition and monopoly and establishing public enterprises in suitable cases. Besides providing infrastructure many developing country governments have spearheaded efforts to marshall skills and financial resources and have channelled them into industrial sector. Some countries have created specialised institutions for training entrepreneurs, managers, technical and administrative personnel. Governments have provided finance through direct lending and equity

<sup>15</sup>P.P. Streeten and S. Lall, *Evaluation of Methods and Main Findings of UNCTAD—Study of Private Overseas Investment in selected less-developed countries*, p.59.

<sup>16</sup>*Ibid*, p. 62.

participation and industrial development banks which provide a wide array of technical services and act as conduits to domestic and foreign savings. State enterprises have been created in many developing countries for a variety of reasons like launching large capital intensive plants beyond the capacity of private sector, desire to exercise state control in priority sectors like steel, fertilisers, petro-chemicals, etc., and to balance the power of domestic and foreign enterprises. In many low income countries, particularly in Africa where the dearth of indigenous entrepreneurs frequently narrows the choice to state owned or foreign enterprise, the former are often preferred.<sup>17</sup>

#### *Ownership and Control*

A frequent source of difficulty faced by developing country governments is the effort to reconcile the global industrial strategy of TNCs with national industrial priorities. They have to ensure that TNC affiliates behave to the maximum possible extent as entities of countries in which they are located rather than as subordinate links in a world wide chain of transnational enterprises. This is being done through greater selectivity, more participation in and control over the operations of TNCs.

Developing countries (DC) have adopted executive and legislative measures to define the framework within which foreign firms can operate. Among the executive measures adopted are import regulations, exchange control, employment and remuneration to foreign personnel, policies on local content of inputs, etc. Legislative measures adopted by DCs include acquisition of ownership wholly or partially, banning or limiting foreign ownership in certain sectors and regulating the inflow of foreign technology. Many countries have brought petroleum and mining industries under state ownership. Some DCs have required TNCs to dilute their holdings in existing enterprises and sell them to the nationals of the host country. The take-over or dilution of foreign holdings is justified if it results in better utilisation of resources. As against this benefit there are costs of compensation payments and a discouragement to other foreign investors to channel fresh flow of resources.

In cases where management continues to be the responsibility of TNCs total or majority ownership does not ensure control over the operations of these enterprises. These enterprises continue to be a part of the network of inter affiliate transactions which may be used for the benefit of the parent company rather than the unit for which they have managerial responsibility. Therefore, in such an arrangement, TNCs exercise control without the attendant risk of running the enterprises in which they have major equity interest or complete ownership. As a measure to retain managerial and entrepreneurial skills management contracts may be considered as a short term

<sup>17</sup>World Development Report 1979, *op. cit.*, p.64.

solution. During this period it should be ensured that country's representatives effectively participate in the decision making process so that they are in a position to eventually take over the operations.

Another aspect of national participation and control is the requirement by many developing countries to appoint nationals in positions of responsibility in foreign subsidiaries. This will promote national control if nationals employed in key positions are not representatives of TNCs. Similar considerations apply to the employment of board of directors of foreign subsidiaries. However, it should be recognised that an increasing trend towards internationalisation of personnel in TNCs owing to their receiving common training the employees tend to adopt attitudes and values linked with those of the firm. Thus whatever the nationality of Board of Directors, subsidiary may remain closely integrated in the parent company.<sup>18</sup>

In recent years, developing countries have sought to exercise control through joint ventures with foreign enterprises. Foreign investors find joint ventures acceptable if other ways of having access to domestic market of the country are not available. From the point of view of developing countries joint ventures as against fully owned national enterprises may be necessary to cover the gap in foreign exchange resources and when technical assistance and management expertise of foreign firms is considered essential over a continuing period of time. At the same time the drawback in joint ventures is that foreign enterprises commit less capital and expertise in such ventures. So the aggregate level of investment in the economy is lower than in the case of wholly owned subsidiaries. Profit sharing may also encourage the parent companies to charge higher prices for inputs and technical and management service. Joint ventures may also receive less favourable treatment in the transfer of technology or assigning of export markets than wholly owned subsidiaries.

An alternative to foreign subsidiaries and joint ventures is to acquire foreign know-how and the right to use patented and non-patented technology. Such licensing arrangements are fairly common between enterprises in developing countries. A pre-condition for acquiring technology through licensing arrangements is that the country has adequate financial and managerial capabilities to absorb the licensed technology in a limited period. Generally developing countries have a weak bargaining position in such arrangements as they have a limited awareness of alternate sources of technology and of the complexity of licensing mechanisms. These limitations may result in high costs of technology.

The appropriate form of relationship between foreign enterprises and developing country can be determined only in the context of particular national situations, objectives and policies and would vary for different sectors. A balanced relationship between TNC and domestic enterprises requires

<sup>18</sup>Transfer of Technology by MNCs—OECD 1977, p.23.

that full advantage be taken of the specific characteristics and expertise of TNCs in particular sectors. In manufacturing for domestic consumption where technology is available from alternate sources, the role of TNC is more limited than in manufacturing sectors where the package of investment and technology can best be provided by TNCs within the framework of host country's policies. As conditions vary considerably in different countries no uniform policy can be recommended and it is for each developing country to determine the pattern of relationship with foreign enterprises and to define their objectives and role in the national economy.

#### *Domestic Technological Development*

Developing countries are increasingly identifying technology as the crucial input in the industrialisation process. However, they have very limited capacity to select, acquire, develop and adapt techniques appropriate to their resource endowments. They depend almost entirely on industrialised countries for a whole range of technical services extending from preparation of feasibility studies determining the range and choice of technology, industrial processes, engineering design and detailed engineering, plant construction and installation, research and development facilities to modification and improvement of processes. Often very high price is paid for technology which is inappropriate to the development objectives of these countries. Consequently, they find themselves in a quandry when imported technology does not yield the desired results and indigenous capabilities are insufficient to develop techniques suitable to their needs.

Autonomous capacity for technological development and innovation can be developed only within the framework of a well defined policy of technological planning. Such a plan should identify inputs to be developed indigenously and those to be imported; create a comprehensive information system to identify appropriate processes and techniques and plan for the development and growth of institution for research and development activities and support such activities at enterprise level. It would also signal areas in which private foreign investment and technology should be directed and create mechanism for evaluation, selection and acquisition of foreign technology. Once sectoral priorities are identified and technological needs at the enterprise level determined the role accorded to TNCs in different sectors can be defined. Whether technology available from TNCs is appropriate will be determined only in the light of available alternatives.

Besides TNCs there are several other foreign sources of technology like consultants, small firms, international agencies and enterprises from centrally planned economies. The relative importance of TNC will depend on how technology intensive the industry is. In more advanced and dynamic sectors the role of TNCs is likely to be greater than in industries requiring standardised technologies. In sectors dominated by TNCs there are several different ways in which technology can be bought: ranging from outright purchase

of patents and designs, or joint ventures to wholly owned subsidiaries. The choice of form depends on the policy of the host government but largely on the monopoly power of the TNC, secrecy of the technology and the need for continuing close cooperation between the host country enterprise and TNCs in the running of the enterprise. A TNC with dominant position in the high technology industry may not be interested in technology transfer except through a wholly owned subsidiary while a TNC in a low technology industry may settle arrangements ranging from joint venture with minority position to pure licensing. TNCs prefer to offer the whole package of technology capital and management services from which the recipient country is not given an opportunity to select services it wishes to import. From the point of view of the developing countries it is important that the package should be unbundled and evaluated in terms of each component. Besides determining the cost of different services it would also be possible to develop the domestic technological capabilities and participate in the supply of inputs and engineering services. Even when the cost of domestic services exceeds the world prices it may still be justified in the long term interest of developing local capabilities for supplying financial managerial and marketing services for manufacturing equipment and components required and for strengthening domestic know-how and consultancy services.

Opportunity for unpackaging may be limited in certain sectors where TNC can ensure that technology is sold only in the form of a complete system and not as separate components. Similarly, where foreign engineering contractors are themselves dependent on TNC the incentive for unbundling of package may be weak. In many cases host countries too may prefer to obtain technology in a packaged form to minimise the risk of failure. Even where technology is simple the desire to utilise trade mark or brand names may lead to a preference for imported technology with its attendant conditions. Some developing countries may have little potential of developing technological capacity in the near future, others may be able to develop it in some industries but may take a long time before they develop viable local alternatives. TNCs may also stimulate local technological development if it has to modify the product to suit local tastes and material availability. The size of local market which may be large or the possibility of using the country as a base for export may lead to substantial investment in product development. Some time the availability of cheap scientific and technical personnel may lead to setting up R & D facilities in developing countries. In other cases TNC may not find it profitable to foster local technological capabilities even when the social cost benefit from the view point of developing country favours it. TNC may retain the basic design and development work in the strategic capital goods sector in the home country even for stable technologies which could be economically transferred. In these conditions the technological capabilities of developing country may remain at a rudimentary stage and more advanced learning of basic engineering and

technical principles may require protection of local learning against riskless import of foreign technologies. Generally this may require a judicious selection of areas for TNC entry and other forms of access to foreign technology.

For selection of areas of import of technology several countries have set up a regulatory or screening mechanism. The policy approach has varied from prescribing general guidelines to case by case scrutiny of technological agreements. Some countries have also provided active support to local efforts by subsidising institution and enterprises engaged in technological work and by assisting them in their negotiating efforts. Other efforts in this direction include encouraging the growth of large local firms which can protect their technical development and transfer it to others and investing directly in R & D facilities. A programme of larger R & D facilities may necessitate financial assistance and incentives at the national level supplemented by international programme for building the science and technology potential of developing countries.

#### *TNCs and Restructuring of Production*

*Manufacturing Sector* : The most basic change in the pattern of exports from developing countries has been the spectacular growth in their manufactured exports. From 1960-75 these exports expanded at an annual rate of 12 per cent while the bulk of increase in exports from these countries has been confined to producing standardised and labour intensive goods, many developing countries are exporting products of modern industries with the technical and marketing assistance of TNCs. TNCs are generally involved in areas where they started manufacturing facilities to meet local requirements and have grown into large enterprises with substantial competing interests vis-a-vis investment in Brazil exemplifies the role that TNCs have played in promoting exports of capital intensive standardised goods from some developing countries. TNCs have also undertaken investments in modern industries transferring complex technologies to service the world markets, examples of which are Philips and General Electric Complexes in Singapore. As these industries use advanced technologies their scope for promoting domestic linkages may be limited. In addition to the above, a recent development is to transfer labour intensive processes in developing countries while retaining more capital intensive processes at home where the needed facilities for producing capital goods and R & D exist. An example of this is the semi conductor technology. Here too in the face of a rapidly changing technology the effect on domestic technological development will be limited.

Developing countries are facing obstacles to expansion of exports due to increased pressure by the labour on governments in developed countries to grant protection. "There has been a marked increase in protectionism in the industrialised countries and pressures for further measures are strong. These pressures partly stem from the continued slow growth of the indus-

trialised countries and their consequent high levels of unemployment, and are partly the result of the concentration of developing countries' export growth in relatively few categories of manufactured products. The protectionist measures have entailed the use of a wide variety of devices, for example 'orderly marketing arrangements' and new import quotas; price floors on imports, as in the case of steel and agricultural products; new 'voluntary' export restraints; 'countervailing duties'; administrative obstacles to imports and subsidies to domestic industries to sustain levels of production in excess of those justified by demand. There have been calls for the control of market shares on a regional or worldwide basis and for extending protection to a wider array of products".<sup>19</sup>

*TNCs and Local Processing of Minerals* : A small number of large TNCs have played a dominant role in the mineral sector. The normal pattern followed has been to undertake minor processing before transporting them to developed countries for further processing. As a result substantial share of minerals is produced in developing countries about 70 per cent of these are processed in developing countries. The capacity to bring together and manage different stages of production in an integrated process often characterised by large scale plants and indivisibilities gives TNCs an advantage in relation to developing country enterprises who have limited access to capital technology, markets and management to coordinate the multistage production chain. Because of low degree of processing of raw materials developing countries receive only a small proportion of the price paid by the consumers of final products. Increasing the share of local processing is, therefore, considered an important policy objective for raising incomes, foreign exchange earnings and employment by developing countries.

In some mineral producing countries cost factors may favour a greater degree of mineral processing.<sup>20</sup> Besides raw material availability, these advantages may comprise lower transport cost and wage rate and lower cost of energy. The advantage of transport cost depends on the distances between exporting and importing countries and the final product content of the mined raw material. Availability of relatively cheap energy also constitutes a significant advantage in countries like Zaire, Ghana and oil producing countries in the processing of minerals like aluminium smelting, copper, nickel, etc., where energy constitutes a high proportion of production costs. Despite the existence of some of these advantages TNCs have preferred to locate processing of minerals overwhelmingly in consuming countries. The reasons why TNCs have been reluctant to establish mineral processing in developing countries is that most mineral companies are vertically integrated and because of the capital intensive nature of various stages exploitation mining refining marketing, they perceive that their interest lies in creating

<sup>19</sup> *World Development Report 1978*, p. 14.

<sup>20</sup> M. Radetzki, "Where Should Dev. Countries" Minerals be Processed, *World Development Report 1977*, Vol. 5, No. 4.

or retaining most downstream facilities in their home markets or other large consumption centres. This enables them to exploit economies of scale by establishing large plants and expanding existing processing complexes than establishing widely scattered local processing units in developing countries. This tendency is reinforced where surplus capacity is already available in industrialised countries. In addition industrial countries discriminate against import of processed raw materials through practices such as cascading tariffs and diversification of supplies. In this way the corporate interest may conflict with the policy objectives of developing countries which is to increase the local value added of their raw material production.

Host countries have therefore to pursue effective policies to expand local processing. These include:

- (i) exerting pressure on transnationals,
- (ii) nationalisation of foreign subsidiaries,
- (iii) production sharing, and
- (iv) setting up public enterprises for processing.

Some governments have also utilised the instruments of taxation to encourage processing within its borders. For instance, Peru guarantees tax stability to mining companies which set up or expand their processing facilities. Other measures used are special allowances, tax rate reductions extended loss carrying forward and accelerated depreciation. Others have also levied export duties or imposed export quotas on unprocessed raw materials and ceilings on repatriation of profits.

In the long run the trend towards greater processing of raw material appears likely as developing countries concerned with establishing sovereignty over their mineral resources are pursuing policies to increase the degree of local processing, technology and capital are increasingly available outside TNCs and often there is a cost advantage for TNCs to process in developing countries. Industrialised countries can assist in this process by reducing or eliminating tariffs on imported processed materials, and by increasing the flow of capital and technology to developing countries. Developing countries can facilitate this process by investing in the required infrastructure and by cooperating among themselves to compensate for small national markets.

A recent study<sup>21</sup> visualises that out of both developing countries and TNCs undertake processing activities a possible outcome is that developing countries control raw material production and market processed raw materials based on standardised technology. TNCs will be increasingly responsible for processed raw materials based on high level technology in developed and developing countries. In this case technology could be secured from

<sup>21</sup>TNCs and the Processing of Raw Materials: Impact on Developing Countries. Report by UNCTC, Feb. 1978, p. 27.

international organisations, service companies, transnational corporations, etc., and the capital from international organisations, the internal capital markets of developing countries and transnational corporations. The existence of alternative supplies increases the possibility that the prices paid by developing countries for capital and knowledge will be 'fair'. Prices paid by TNCs for processed products supplied by the developing countries are a function of the price that corporations can get for finished products. Since developing countries control essential raw materials they are likely to get relatively high prices for their processed minerals.

#### COOPERATION AMONG DEVELOPING COUNTRIES

Some developing countries have through a process of absorption of foreign technology inflow developed capabilities over a wide spectrum of industries where they can effectively transmit it to other developing countries. The possibility of diffusion of technology from developing countries is not confined to consumer goods but extends to intermediate products, machinery and equipment, where they are competing in the international market with developed countries. Considerable detailed engineering capability levels have been achieved and can be suitable source for other developing countries. Although, the scope for cooperation between developing countries is substantial, the actual extent of technical cooperation has been limited. Several joint ventures have been set up by developing country enterprises in a number of sectors. A project for joint exploitation of hydro electric resources of Brazil and Paraguay has been undertaken. India and Iran have undertaken a joint project for iron ore development under which Iran is to invest in resources and project development in India, the benefits from which will be shared by two countries. Several joint ventures have been set up by Brazilian and Argentinian enterprises in Latin American countries and Mexican enterprises have invested in the Caribbean, others like Korean, Taiwan, Hong Kong, and Indian enterprises have also set up a wide range of joint ventures in other developing countries. These collaborative ventures have included besides consumers products complex engineering items, automobile products, diesel engines and electrical products which involve the use of sophisticated technology. Besides industrial joint ventures there has been considerable collaborative effort in the development of consultancy services among developing countries. Although the number of collaborative projects between developing countries has increased considering the vast potential cooperation remains inadequate. This is partly due to attitudinal constraints as developing countries continue to prefer inflow of investment and technology through TNCs from industrialised countries and partly due to absence of adequate information regarding capacities in other developing countries that are suitable to their needs. Developing country enterprises need to be cautioned that if their approach to investment and technology

transfer is similar to those of TNCs from industrialised countries then the host countries would not be offered any real benefit from this substitution. Therefore, developing countries may need to frame norms of conduct applicable to their enterprises. This would ensure that such technological relationship does not perpetuate the dependency of the host country and tends to avoid the deleterious effects of foreign direct investment experienced through the operations of TNCs.

An important programme of cooperation of developing countries relates to the sharing of information about TNC operations in these countries. United Nations Centre on Transnational Corporations is preparing such an information system designed to provide essential information on the role and activities of TNCs and their interaction with the governments. Such information would help developing countries in identifying alternative technologies available, strengthen their negotiating capabilities and design appropriate policies and regulations in dealing with TNCs.

Besides reviewing the role and experience of TNCs in different sectors and operation of individual TNCs it would be important to share information about the technologies developed and adapted in various developing countries. The resource endowments of these countries and the inappropriateness of TNC technologies in many sectors has often been noted and the desire to reduce dependence on them stressed. This can be achieved through a process of judicious selection of technologies and development of indigenous technology suited to long term developmental goals, resource endowments and socio-economic conditions. Until recently it was considered that the scope for changing factory proportion was limited. But lately the scaling down of plants to the size of the markets has been attempted and this shows that if processes are adapted to factor resources the range of choices before developing countries increases considerably. Collection and dissemination of information about such adaptations and available alternative technologies would contribute to greater technical collaboration between these countries.



## National Security Policy in the United States: The Organisational Factor

P.M. Kamath

EVERY NATION gives utmost priority to its security. 'National security' essentially denotes a nation's determination to preserve at any cost some of its interests. Foremost among these national interests are its territorial integrity, political independence and fundamental government institutions. As Robert Osgood observes, national security embraces not only the survival of a nation but its ability to survive.<sup>1</sup> In the following pages, I propose to consider not the national security policies of the United States *per se*, but some of the organisational issues concerned with the making of national security policy.

During the World War II, there was hardly any organised system of national security policy-making in the US. President Franklin Roosevelt centralised the national security policy-making within the White House and also highly personalised the process. Constitutionally, the President is the commander-in-chief, and President Roosevelt took most of the war-related issues as though he was a commander-in-chief in uniform. During the war, he even desired that his civilian advisers refer to him as the commander-in-chief, and not as Mr. President.<sup>2</sup> Organisationally, it was an informal and chaotic process of decision-making with overlapping assignments to different advisers and agencies.<sup>3</sup>

### THE NATIONAL SECURITY COUNCIL

In the post-World War II period, partly as a reaction to Roosevelt's highly personalised system of national security policy-making and partly as a response to the then prevailing atmosphere of cold war, a Republican Congress passed the National Security Act of 1947. The Act created the National

<sup>1</sup>Robert Osgood, *Ideals and Self-Interest in America's Foreign Relations: The Great Transformation of the Twentieth Century*, Chicago, London, University of Chicago Press, 1955, p. 4.

<sup>2</sup>Cordel Hull, *The Memoirs*, New York, Macmillan, 1948, Vol. 5, p. 1111.

<sup>3</sup>W. Walt Rostow, *The United States on World Arena: An Essay in Recent History*, New York, Harper, 1960, pp. 44-6.

Security Council (NSC), a forum for discussing national security issues. It also created for the first time a unified defence department under the overall charge of the Secretary of Defence; the institution of the joint chiefs of staff; and the Central Intelligence Agency.<sup>4</sup> Primarily, the purposes were: (a) to provide a well organised process of decision-making; (b) to make the process more broad-based than before; and (c) to provide for systematic coordination of all aspects of national security policy.<sup>5</sup>

These organisational reforms were carried out during the presidency of Truman. While he fully supported the creation of a unified defence department and the central intelligence agency (CIA), he only made infrequent use of the NSC.<sup>6</sup> The effective use of the NSC was, however, made by him during the Korean War. His successor, President Eisenhower, a military man, accustomed to 'line and staff' functions, developed the NSC into an elaborate security policy making mechanism with sub-structures and the staff system. The sub-structures included a planning board where at the level of under secretaries the security policy issues were discussed, differences sorted out, and policy papers finalised for the consideration of the NSC. Another institution was the operation coordination board, which supervised the policy implementation and resolved the problems arising in the process of policy implementation.<sup>7</sup> The Eisenhower NSC system often involved delay in policy formulation and compromises in the policy adopted.<sup>8</sup> The planning often fell behind the times when actually a crisis arose. Yet in retrospect, the NSC brought much organisation to an hitherto chaotic process of national security decision making.<sup>9</sup>

The organisational connexion got loose beginning from the Presidency of Kennedy. Kennedy came to office with a belief that it is men who matter in the policy making, and not the organisation. He accurately reflected the

<sup>4</sup>See US Congress, House, Com. on Armed Services: *National Security Act of 1947* (as amended through September 1973), Washington, D.C.: GPO, 1973, pp. 2-4.

<sup>5</sup>There exists a large body of literature on the National Security Council and its early growth. For example, see Johnson, Robert H., "National Security Council: The Relevance of its Past to its Future," *Orbis*, 13 (Fall 1969); Hammond, Paul Y. "The National Security Council: An Interpretation and Appraisal," *The American Political Science Review*, 54 (1960); and K.C. Clark and L.J. Legere, Eds., *The President and the Management of National Security*, New York, Praeger, 1969.

<sup>6</sup>See, Sidney W. Souers, "Policy Formulation and National Security," *The American Political Science Review*, 43, No. 3 (1946), pp. 538-42. Also see Truman, Harry S. *Memoirs -- Years of Trial and Hope*, Vol. 2, 1956; rpt. New York, Signot Book, 1965, p. 78.

<sup>7</sup>For an informative study see US Congress, Senate Com. on Government Operations, Sub-com. on National Policy Machinery, *Organizational History of the National Security Council*, Washington, D.C., 1960, pp. 23-49.

<sup>8</sup>Cf. Dean Acheson. "Thoughts About Thought in High Places," *The New York Times Magazine*, October 11, 1959, pp. 86-7.

<sup>9</sup>Townsend Hoopes, *The Limits of Intervention: An Inside Account of How the Johnson Policy of Escalation in Vietnam was Reversed*, Rev. ed. 1969, New York, David McKay, 1973, pp. 4-7.

belief of Senator Henry Jackson in his study of national security policy machinery where he had argued for humanising the NSC.<sup>10</sup> He brought with him 'new frontier' men, a group of 'can do-ers.' When Johnson succeeded to the presidency he also inherited the Kennedy-men and began with a firm belief that those who successfully managed the Cuban missile crisis can enable him to meet any foreign policy crisis.<sup>11</sup> President Nixon started with an organised system of national security policy making, but soon he established what has been rightly called as 'the royal court model'<sup>12</sup> for national security policy making. In the system, Nixon and Henry Kissinger, had each fifty per cent investment. It was a partnership between the two in effective foreign policy making. When Ford succeeded Nixon to the presidency, he also inherited Henry Kissinger in a dual capacity: the Secretary of State as well as the National Security Adviser. Kissinger was way above Ford—the national security policy was the policy of Kissinger.

Based on the experience of the four administrations—Kennedy to Ford—it can now be argued once again that organisation also matters in formulating an effective national security policy. While good organisation by itself cannot ensure an effective national security policy in the absence of able men, it can at least ensure that not-so-able men are not led to adopt wrong policies. Assuming that the President always picks up the right type of people, the central theme of this paper is that an effective national security policy depends on the organisational factors also.

#### FOUR ORGANISATIONAL PRINCIPLES

The organisation includes the combined effect of four factors in a democratic political system. First, able and efficient men to man the several institutions constituting the organisation; secondly, the structures or the agencies with clearly defined functions and roles to play with the assumption that they do play their roles; thirdly, an established process of decision making; and fourthly, a degree of openness in the policy making. But the experience of the four administrations, beginning from Kennedy, shows that the organisational factors were ignored by the Presidents. The men were selected often against the organisational principle. The input from the established structures and agencies did not always go into the making of policy. The established process of decision making, especially the process centred around the

<sup>10</sup>US Congress, Senate, Com. on Government Operations, Sub-Com. on National Policy Machinery, *The National Security Council*, 86th Cong. 2nd Session, Washington, D.C.: GPO, p. 6.

<sup>11</sup>See, Geyline: Philip, *Lyndon Johnson and the World*, New York, Praeger, 1966, pp. 253-54.

<sup>12</sup>See, Kohl, Wilfred, L., "The Nixon-Kissinger Foreign Policy System and the US European Relations: Patterns of Policy Making," *World Politics*, 28, October 1975, pp. 8-9.

NSC, fell into disuse. The security policy-making became increasingly a pattern of 'closed politics'. If the period of 16 years has been called a period of 'dissillusionment' or 'credibility crisis', part of the fault at least could be traced to the missing organisational connexion in national security policy making.

### *National Security Men*

It is appropriate at this stage to mention how the concept of 'national security' had been distorted by the policy makers and how each organisational factor was ignored by the Presidents. During the period, 'national security' became an all-embracing and all-silencing concept. We can say, in the Indian sense, that 'national security' was like a deity and the President its priest. Whatever the President said in the name of national security had to be accepted unquestioningly by the people. Any questioning was blasphemous. The 'priest' could do anything, go to any extent to silence any non-believer. In the process, the 'priest' could even forget his saintliness and behave in a way unbecoming to his position. Nixon, for instance, in a speech on Watergate on 23 March 1973 invoked 'national security' or its synonym thirty-one times in defence or explanation of his questionable actions.<sup>18</sup> Kennedy had to face problems of personnel administration in not observing the principles of selection of men for service in his administration. He selected the second and third ranking personnel in the State Department prior to the appointment of Dean Rusk as the Secretary of State. The result was that there was no mutual compatibility among the men working in the state department's top ranks; men below the Secretary of State were Kennedy men, in the sense, those who had worked for Kennedy's election. Dean Rusk was the professional expert in foreign affairs. He did not consult his colleagues before formulating his views for presentation at high level meetings on national security decision making. The subordinates of Rusk often dealt directly with the White House, so that the state department appeared to be directionless and confused. To some extent, Johnson attempted to correct the situation by relying on the Secretary of State. Nixon, on the other hand, found cabinet officials most easily replaceable. While his Secretary of State, William Rogers, was the cabinet official with the longest service in that capacity, he was the least influential in national security decision making.

### *Organisational Structure*

It is difficult to change or abolish any of the existing structures or agencies. The Presidents tried to overcome structural problems either by bypassing them or supplanting new structures over them. Of the existing structures,

<sup>18</sup>See, Charles M. Hardin : *Presidential Power and Accountability: Towards a New Constitution*, Chicago & London; University of Chicago Press, 1974, p. 24.

some of them were ignored by the Presidents; some others were given extraordinarily important functions and roles to play in the decision-making process. The government functioned in a state of permanent crisis. The defence department and the Secretary of Defence acquired undue importance in the national security policy making. Under Robert McNamara's seven-year administration of the defence department, civilian control of military affairs steadily increased. There also took place a transformation in the military joint chiefs of staff. The infighting in the military ceased, and, instead, they began to present a united policy recommendation to the civilian hierarchy.<sup>14</sup> This considerably increased the importance of the military input in the national security policy-making. But there was a steady decline of importance of the diplomatic input in the same process; under Dean Rusk and, later, under William Rogers, the state department played only a peripheral role in the national security policy considerations.

The office which acquired an extraordinary importance and a role in the national security policy making was the NSC staff based in the White House. The kingpin in the NSC staff organisation was the special assistant to the President for national security affairs (henceforward referred to as the national security adviser). First under McGeorge Bundy, then under Walt Rostow, and later under Henry Kissinger, the national security advisers developed their own power-structure within the White House.<sup>15</sup> In their power and influence they surpassed the heads of the established structures like the department of state and defence department—some time even their combined influence and power in the policy making process. But, technically, they were merely performing the functions of the staff aides to the President—additional ‘eyes and ears’—a staff function, without any role in policy advice.<sup>16</sup>

### *Decision Making*

Often, in the policy making process, especially during the presidencies of Kennedy and Johnson, there was (both on account of personality traits and policy attitudes), an effective alliance between the secretary of Defence and the national security adviser.<sup>17</sup> It was comparatively much easier for the national security adviser to intervene in politico-diplomatic issues than in military-security issues. The overall effect of these developments was that even the diplomatic issues came to be considered from the perspective of

<sup>14</sup>James C. Thomson, Jr., “How Could Vietnam Happen? An Autopsy,” *The Atlantic*, 221 April, 1968, p. 52.

<sup>15</sup>See, John F. Campbell : *The Foreign Affairs Fudge Factory*, New York, Basic Books, 1971, p. 2. I.M. Destler “National Security Advice to US Presidents: Some Lessons from Thirty Years,” *World Politics*, 29 January 1977.

<sup>16</sup>“Memo”, Bundy to Sorenson, 8 March 1963, NSF, M.M. Staff, Memos, Sorensen T., 1961-63, Kennedy Library.

<sup>17</sup>See, Charles W. Yost, “The Instruments of American Foreign Policy,” *Foreign Affairs*, 5 October 1971, p. 64.

military affairs, more often resulting in a military response where a diplomatic move would have been sufficient. Thus, for instance, Ford and Kissinger (the latter was both the secretary of state and the national security adviser) essentially developed a military response in the Mayaguez incident of 1975. It was a case of excessive use of force against a small country like Cambodia. The result was the loss of thirty eight US lives to gain the release of thirty nine crew men. It was later learnt that their release was anyhow underway through diplomatic efforts.<sup>18</sup>

In the US system of government, the President alone has the power to decide crucial issues. But the President needs information, interpretation and analysis, relevant to the crisis. That has to be presented by the different structures, agencies and institutions. Once the President decides, the administrative responsibility is also widely shared by different agencies. This creates the need for proper coordination before and after a decision is taken in the area of national security. Kennedy abolished inter-agency coordination devices like the planning board and the operations coordination board set up by Eisenhower,<sup>19</sup> instead, he concentrated policy coordination in the White House itself under McGeorge Bundy, his national security adviser. The White House-centred coordination continued in all the later administrations with an increasing volume of such activities coming under the direct control of the White House.<sup>20</sup> The result has been most chaotic, erratic and inadequate coordination of policy inputs. In retrospect, Chester L. Cooper, a member of Bundy's NSC staff and an admirer of the Bundy operation in the White House, has said that if the Bay of Pigs plan was discussed in any inter-departmental agency such as the planning board, probably the fiasco could have been prevented.<sup>21</sup>

In any organisation, how issues are formulated, where and at what level they are taken up for consideration, and how they are presented to the decision-maker, also determine the end-policy that emerges from the organisational set-up. This cannot be different as regards national security policy making. This can be illustrated by citing one example. There was hardly any inter-agency study and coordination of issues in the Johnson administration. Thus, in 1967, the joint chiefs of staff (JCS) asked McNamara, the Defence Secretary, to get a policy decision from the President on the use of chemical and biological weapons (CBW). McNamara did not think it to be that important as to take up the issue with the President; he deferred the issue by referring it to the state department. The issue got bogged down in

<sup>18</sup>Graham Allison and Peter Szanton : *Remaking Foreign Policy: the Organizational Connection*, New York, Basic Books, 1976, pp. 170-71.

<sup>19</sup>See, Henry M. Jackson (ed.), *The National Security Council*, New York, Praeger, 1965, pp. 304-5.

<sup>20</sup>Allison and Szanton, *op cit.*, pp. 80-5.

<sup>21</sup>Transcripts, *Oral History Interview* by O'Connor, Joseph E., 6 May, 1966, pp. 6-7, Kennedy Library.

the state department and never reached Johnson for a decision. During Nixon's first year in office, inter-agency studies preceded a decision on any crucial or controversial issues. Thus, when the JCS once again raised the subject of chemical and biological weapons, the new President referred the issue to an inter-agency for study. After due consideration, Nixon decided to ban the use of chemical and biological weapons. In all formal meetings—of the inter-agency committee and the NSC—the JCS opposed the ban on the use of chemical and biological weapons, but they were overruled.<sup>22</sup> Of course, it is simplistic to attribute the government decision to ban the chemical and biological weapons only to the inter-agency and formal considerations by the NSC. But the importance of the organisational factor cannot be ignored.

*National Security Council in a State of Suspended Animation:* The formal decision making process, especially through the NSC, was not abolished, but was placed in a state of suspended animation. Each President developed his own forum of decision-making, mostly informal, to decide the crucial national security crises; Kennedy took decision after informal consultation with his few trusted advisers. The best known example of such informal decision making is the Cuban missile crisis where he assembled a group of some 15 of his confidants, who for thirteen days discussed, deliberated and developed different options for the President's consideration. Only later, the group was named as the EXCOM—the Executive Committee of the NSC.<sup>23</sup> Johnson took most of his security policy decisions at the Tuesday luncheon meetings—a forum for informal discussion, mainly, among the ‘awesome foursome’—President, McNamara, Rusk and Bundy.<sup>24</sup> After 1970, Nixon developed a method of national security decision making which has been rightly called the ‘royal court model.’ It was essentially a partnership between himself and his national security adviser, Kissinger. Kissinger presented options; after hearing him, Nixon decided the policy, or often, he retreated to the presidential retreats in Maryland, Florida or California.<sup>25</sup> The net result has been incredible blunders in national security policy making; barring a few bold successes like his China visit.

However, the NSC was not totally ignored. Kennedy called it to hear his decisions, Johnson to narrate his woes, and Nixon used it for its staff and name. All Presidents used it to formally ratify their decisions, taken in informal groups. Thus, the NSC was used to give greater legitimacy to the

<sup>22</sup>Allison and Szanton, *op. cit.*, pp. 3-5.

<sup>23</sup>National Security Action Memorandum 196, 22 October 1962, NSF, M.M. (Ex-Com) 10/23/62-10/25/62; Kennedy Library.

<sup>24</sup>See, Transcripts Clifford Clark, University of Texas, *Oral History Interview* by Joe Frantz, p. 19, Johnson Library.

<sup>25</sup>See, *Congress and Nation*, Vol. 3, Washington, D.C., Congressional Quarterly Service, 1973, p. 973.

decisions already reached.<sup>26</sup> This, incidentally, also shows the importance of organisation in the overall policy making process. It can also be said that if the same national security policy decisions were reached after discussion and debate in the NSC, the decisions would not have been worse than what they had already been.

Increasingly, during the period, the decision making process tended to be closed politics. Of course, all executive politics is closed politics. But a degree of openness in the process of decision making is necessary, in the sense of receiving policy input from all the concerned agencies and officials. Since information is power, the openness of the process facilitates easy movement of the information; its interpretation and application. But, closed politics and personalised policy making tended to reinforce each other. Kennedy personally supervised every detail of operationalisation of the Cuban quarantine decision in October 1962. Johnson personally picked up daily targets in North Vietnam for bombing.<sup>27</sup> Nixon decided every detail of the Vietnam peace talks personally. Ford personally directed operation-release of *Mayaguez*. In most of these cases, personal control of details of operations did not necessarily result in effective actions. Kennedy restricted his group of advisers to not more than ten to twelve. Increasingly, the number of advisers consulted by the Presidents dwindled. Johnson limited effective participation in decision-making to four to five advisers. Nixon limited it to one or two.

### *Closed Politics*

National security policy making by such small groups of advisers tends to acquire certain self-reinforcing features. First, it enables policy makers to bypass dissenting or non-conforming advice. Over the Bay of Pigs, planning, which was mainly the responsibility of the CIA, the deputy director for intelligence research and estimates (Robert Amory), whose job it was to prepare the national intelligence estimates based on raw data, was not consulted.<sup>28</sup> Within the state department, only a few knew about the plan. The under secretary of state (Chester Bowles) learnt about it only a few days before the plan was to be executed. But his memorandum opposing the plan never reached the President. Similarly, the director of intelligence and research (Roger Hilsman) in the state department was kept in the dark about the plan.<sup>29</sup> A large number of sub-cabinet officials in the departments of state and defence in the Johnson administration learnt about several developments in

<sup>26</sup>See, Memo Bundy to the President, 7 Jan 1965, NSF, NSC Staff File, Memos for the President, Vol. 6, Johnson Library.

<sup>27</sup>Transcripts, Read, Benjamin, *Oral History Interview*, p. 9., Johnson Library.

<sup>28</sup>See, Szule, Tad and Karl E. Meyer: *The Cuban Invasion: the Chronicle of a Disaster*, New York, Ballantine Books, 1962, p. 104.

<sup>29</sup>Roger Hilsman: *To Move a Nation: the Politics of Foreign Policy in the Administration of John F. Kennedy*, New York, Doubleday, 1967, p. 31.

relation to the Vietnam war only through newspapers.<sup>30</sup>

Secondly, closed politics tends to banish professional-inside-experts from the decision making process. There is no evidence to show that Ford received military advice from professionals before ordering the attack to obtain the release of *Mayaguez*. Nixon completely ignored politico-diplomatic advice over the Bangladesh crisis. Johnson kept at arms length East Asia experts on the Vietnam strategy.

Thirdly, it places excessive emphasis on secrecy in the decision-making process.<sup>31</sup> Secrecy has been so indiscriminately used that until recently even the peanut butter and toilet paper bought for the use of the military was kept a top secret.<sup>32</sup> In modern times, it is difficult really to maintain such secrecy of defence-related information. The modern devices of reconnaissance and espionage make it very difficult to maintain military secrets. Hence, secrecy really helps the policy makers to withhold information from the domestic public. Thus, in January 1965, North Vietnam was better informed on the possibility of the US bombing their cities than the American public. The Canadian ambassador Seaborn, during a secret mission to Hanoi, had clearly indicated to the North Vietnamese leaders that if they did not stop their support to southern insurgency, air attacks on the North Vietnamese targets were imminent.<sup>33</sup>

Fourthly, closed politics has helped US policy makers to practice public deception. The best example of deception is the manner in which the Johnson administration obtained the Gulf of Tonkin resolution from the Congress in less than two days, without Congressional probing or discussion in August 1964. North Vietnam was provoked by US clandestine operations,<sup>34</sup> in the Gulf of Tonkin, to attack the US destroyer, *Maddox* on 2 August, 1964. There was, supposedly, a second attack on August 4. Congressional opinion was aroused by presenting these attacks as unprovoked; US ships, it was claimed, were in international waters where they had a right of free movement.<sup>35</sup> Hence, the resolution was sought as an indication of the nation's determination to oppose a challenge to its rights. The resolution was approved by Congress with a massive majority,<sup>36</sup> as planned by the administration. While, at the time of its passage, it was claimed to be an expression of national support to the President, especially during the election year, later

<sup>30</sup> Townsend Hoopes, *op. cit.*, p. 210.

<sup>31</sup> See, James C. Thomson, Jr., *op. cit.*, pp. 47-53.

<sup>32</sup> Robert Goralski, "How Much Secrecy can a Democracy Stand?" *Lithopinion*, No. 3, 1972, p. 78.

<sup>33</sup> "The Pentagon Papers" as published by *The New York Times*, New York, Bantam Books, 1971, p. 256.

<sup>34</sup> For details, *ibid.*, pp. 234-306.

<sup>35</sup> Cable, CINCPAC to the Commander of the Fleet, nd. NSF, *NSC History of Vietnam*, Johnson Library.

<sup>36</sup> The House Vote was 416-0; while the Senate Vote was 88-2. See, *Congressional Quarterly Weekly Report*, 14 August 1964, p. 1746.

it was claimed to be a functional equivalent to a Congressional declaration of war.<sup>37</sup>

An offshoot of secrecy and closed politics is the pathological fear of administrative leaks among the Presidents. Information is so closely held that often only a few were privy to it. This placed a high premium on security leaks. The exposure of public deception by the administration has enabled several journalists to win the most coveted Pulitzer prize; Seymour Hersh won the Pulitzer prize for his revealing reports on the My Lai massacre.<sup>38</sup> In 1971, Jack Anderson won the prize for reporting the secret minutes of the Washington special action group over the Bangladesh war which revealed the 'tilt to Pakistan'; this was contrary to the public posture of the Nixon-Kissinger combine of an even-handed policy towards the crisis.<sup>39</sup> Other notable leaks have also been during the Nixon-Kissinger secret decision making process. Daniel Ellsberg enriched our knowledge on the decision making process during the Vietnam war under four different administrations beginning from Truman. The Cambodian secret bombing of 1969-70 were reported for the first time in July 1973.<sup>40</sup>

Fifthly, closed politics made policy makers insensitive to human sufferings.<sup>41</sup> Johnson's bombing policy in North Vietnam showed his insensitivity to human sufferings. Townsend Hoopes, a sub-cabinet official in the Johnson administration says: "The bombing policy was devoid of any sense of proportion or magnanimity."<sup>42</sup> The White House contempt for human miseries in Nigeria during the Biafran War, for instance, has been recorded by Roger Morris, an insider as the member of the NSC staff. According to his account, on 20 January 1970, Nixon, while reviewing the administration efforts in humanitarian aid as a part of the proposed State of the Union message, said to Kissinger: "They are going to let them starve, are'nt they, Henry?" 'Yes,' Kissinger replied.<sup>43</sup>

Sixthly, closed politics has made policy makers irresponsible and least accountable for their policy advice or performance. To cover secrecy, public deception and failures in achieving policy goals, Presidents increasingly made use of new devices like the executive privilege, which enabled them to deny

<sup>37</sup>See, the memo. L. Niedelberger (Acting General Counsel in the State), 10 June 1965. It argues that "the Resolution grants to the President advance authority to take whatever action he may deem necessary regarding South Vietnam and its defense." NSF, Country File: Vietnam, Johnson Library.

<sup>38</sup>Congress and Nation, Vol. 3, p. 905.

<sup>39</sup>For details see Jack Anderson with George Clifford, *The Anderson Papers*, New York, Ballantine Books, 1974.

<sup>40</sup>Congress and Nation, *op. cit.*, p. 908.

<sup>41</sup>See George Reedy : *The Twilight of the Presidency*, New York, World Publishing, 1970, pp. 9-16.

<sup>42</sup>Townsend Hoopes, *op. cit.*, p. 243.

<sup>43</sup>Quoted in Anthony Lewis, "A Matter of Character," *The New York Review of Books*, 27, October 1977, p. 80.

information to Congressional committees.<sup>44</sup> One external effect of the closed system of security policy making has been lack of patience and respect for the democratic process in other democratic countries. Having overcome the cumbersome open democratic system of policy making at home, the US Presidents have found it easier to deal with dictatorial regimes than the democratic ones. Hence, it looks as if nations with similar values and political systems are more apt to co-exist than the systems with conflicting ideologies.

### IMPLICATIONS

Failure to take due note of the organisational connexion has many administrative implications. The men who are responsible to implement national security policy decisions would suffer from the disadvantages arising out of non-participation in the decision making process. They would not know what really went into decision making and the purpose to be achieved by enforcing the decision. This would further alienate the bureaucracy from the political policy makers. Non-participation also has the demoralising effect on the bureaucracy as seen during the Nixon period when the morale in the state department in particular was very low.<sup>45</sup> Closed politics lead to bottlenecks in the movement of information within the government, thus resulting in non-utilisation of available information.

Closed politics, secrecy and public deception practised by the top policy-makers obviously percolated to the lower echelons of US administration. The My Lai massacre, when it took place was not brought to the notice of the then Secretary of Defence by the military authorities.<sup>46</sup> The military could practise deception on their civilian superiors, as they knew how top civilian leaders themselves practised public deception. More than anything else, such a system, in the ultimate analysis, does not help to build public trust, in the administration's policies. When, for instance, Nixon in the wake of the June 1973 Middle East War alerted US defence forces, people did not believe in the existence of such a need.<sup>47</sup> Rather, it was believed to be a Nixonian gamble in the wake of his own problems created by the Watergate scandal.

The Presidents, partly, at least, developed informal systems for policy making, because of their frustration with the existing organisational structures, processes and their performance. The structures came to develop their own narrow interests, as against those of the President. The bureaucracy adopted dilatory tactics against the policies not favoured by it. Thus, for instance,

<sup>44</sup>See Raoul Berger, *Executive Privilege: A Constitutional Myth*, Cambridge, Mass.: Harvard University Press, 1974.

<sup>45</sup>Allison and Szanton, *op. cit.*, pp. 75-85.

<sup>46</sup>Transcripts, Clifford, Clark, *Oral History Interview* by Joe Frantz, December 15-16, 1969, pp. 2-3, Johnson Library.

<sup>47</sup>cf. Ministry of External Affairs, *Report 1973-74*, New Delhi, Government of India, 1974, p. 2.

several months before the Cuban missile crisis, Kennedy had asked the state department for the removal of Jupiter missiles from Turkey. But in October 1962 they were still there because of bureaucratic delay.<sup>48</sup> The NSC had become, towards the end of the Eisenhower administration, dilatory and could not provide effective policies to meet the sudden crisis. But, instead of trimming the organisation, the policy makers attempted to circumvent it. It should be remembered that politics, without organisation, is invariably ideological politics. While organisation might fail to meet any sudden crisis, and necessitate some *ad hoc* answer, the absence of organisation helps to create and perpetuate a sense of permanent crisis. A democratic society living in a state of permanent crisis invariably tends to adopt totalitarian solutions to meet the crises.

How did the Carter administration view the organisational connexion? Carter as a candidate campaigned on the theme of open government. He was too critical of the concentration of powers in one individual—Kissinger—in the area of national security decision making. He had even deplored the secret support extended by the Nixon administration to the dictatorial regime in Pakistan during the Bangladesh crisis.

Carter had, however, to operate in a changed national political mood wherein the former security policy making process stood discredited. He held his first cabinet meeting where the press was admitted. But it was soon given up, and rightly. National security policy cannot be made in that openness. But no structure or agency was kept out of the decision making process; and there were no signs of relying exclusively on one adviser. He had obviously given up the royal court model of Nixon. Though there was no indication to suggest that the NSC was made the forum for free and frank discussion on national security issues, Carter had made the process more broadbased than before. The Secretary of State and the Secretary of Defence, the national security adviser, the CIA director, all played their respective roles.

However, in spite of Carter's efforts to maintain an open system of national security decision making process, tensions especially between Brzezinski, the national security adviser and Cyrus Vance, the Secretary of State developed within a year after the new administration was inaugurated.<sup>49</sup> There were growing signs that unless conscious efforts were made to keep the national security adviser as a staff aide, he might as well work to acquire the position enjoyed by Kissinger. The national security adviser slowly began to encroach upon the legitimate areas of operation of the Secretary of State. Thus, for instance, in a memorandum, Brzezinski instructed cabinet members on how to infuse greater clarity into public understanding of US foreign

<sup>48</sup>Destler, I.M.: *Presidents, Bureaucrats, and Foreign Policy: the Politics of Organizational Reform*, Princeton, N.J., Princeton University Press, 1974, p. 3.

<sup>49</sup>"Zeroing in on Zbig," *Newsweek*, 30 January 1978, p. 15.

policy. The copy of his circular was also sent to the Secretary of State!<sup>50</sup> Cyrus Vance, no doubt, was not William Rogers; he was an important, quietly assertive, adviser of Carter. But his resignation over his differences on the abortive bid to rescue the American hostages from Teheran was an evidence that in the institutional conflict between the Secretary of State and the national security adviser, the latter triumphed. After resigning, Vance told newsmen that the national security adviser "should not be the one who makes foreign policy."<sup>51</sup>

Kennedy used to say that any failure in domestic affairs might harm the nation, but a failure in external affairs, might destroy the nation.<sup>52</sup> Yet, it is the external policy—national security policy issues especially—that is decided by a small group of people. Carter, as the first no-war President in the second half of the 20th century, had the opportunity to maintain a democratic, open, organised system of national security policy making. But missing the organisational factor in security policy making, *prima facie* appears to be a built-in possibility of the American political system.

### Civil Service Responsibility in the US

The accountability of senior civil servants in the United States contrasts sharply with the British situation. The upper level civil servant in the United States is highly visible. Politicized and is subject to multiple forms of review. Indeed, he must even try to gain support for programs outside of government in the media, interest groups and congress. In this there must necessarily be dissemination of information, so that each side can become familiar with the other's viewpoint, and meaningful debate can take place. In the United States what exist are numerous vertical structures which take in all the interested elements of the society. As a result of this wide social involvement it becomes difficult to lay responsibility at any particular group's or individuals's feet. Yet the checks the system operates are numerous and often informal.

*—Global Comparisons in Public Administration,*  
Ed. by DONALD C. ROWAT,  
Carleton University, Canada, 1981.

<sup>50</sup>"Brzezinski Infuses Clarity," *The Nation*, 24 June 1978, pp. 748-9.

<sup>51</sup>*International Herald Tribune*, Paris, 6 May 1980.

<sup>52</sup>Roger Hilsman, h. 29, p. 53.

# **Personnel Policies and Labour Management Relations vis-a-vis the Committee on Public Undertakings**

**C.R. Ananda Rao**

**I**N THIS paper, an analysis of the recommendations of the Committee on Public Undertakings is attempted.<sup>1</sup> The objective of this analysis is to point out the main thrust of the recommendations of the Committee<sup>2</sup> and the study is entirely based on the information given and observations made in the Committee's reports. However, the relevant recommendations of the Administrative Reforms Commission and the National Commission on Labour are also quoted, as their recommendations were referred to in the reports of the Committee on Public Undertakings.

The analysis of the recommendations of the Committee pertains to the following aspects:

1. Personnel Department
2. Personnel Policies
  - (a) Manpower Requirement and Over Staffing
  - (b) Recruitment
  - (c) Training
  - (d) Promotion.
3. Labour Management Relations
  - (a) Labour Unions
  - (b) Grievance Machinery
  - (c) Workers' Participation in Management

<sup>1</sup>The author of this paper has identified the following areas which have been culled from the reports of the Committee on Public Undertakings for the purpose of his doctoral thesis. (Public Enterprise and Parliamentary Committees, July 1979):

(i) Project planning and administration of projects, (ii) organisation and management, (iii) personnel policies and labour management relations, (iv) financial management, (v) some other aspects which include utilisation of capacity, materials management and inventory control, public relations and bureau of public enterprises.

<sup>2</sup>Since the committee was set up in May 1964, it has brought out 200 reports till April 1976. Of these, 100 are main reports and the other 100 are 'Action Taken Reports'.

(d) Other relevant aspects : (i) Absenteeism, (ii) Overtime, (iii) Incentive schemes, (iv) Labour productivity, and (v) Labour welfare schemes.

#### PERSONNEL DEPARTMENT

The personnel department of a public undertaking should have professionally qualified and experienced personnel to ensure that it effectively discharges all the statutory obligations imposed on the employers by the labour laws. This is so because any breach of statutory provisions in any sector, public or private, should attract penalties, more so in the public sector since it is considered a model employer. Personnel director/manager and the officers in the organisation should be well versed in industrial relations, commanding considerable experience in dealing with labour. They should be specialists in labour management relations. They should be specially aware of the working of the different departments of their respective undertakings.<sup>3</sup> In this context, it may be pointed out that the Administrative Reforms Commission<sup>4</sup> had recommended that the public undertakings should have their personnel managers trained in industrial relations and labour management and should adequately strengthen their personnel departments.

The functioning of the top personnel and the manner of their working are, therefore, a matter of utmost importance to an organisation in the efficient discharge of their duties. In this context, the Committee<sup>5</sup> broadly indicated the lines on which the top personnel of public undertakings should function and work. The main recommendations were that:

- (i) the personnel director/manager and the officer should render impartial and objective advice,
- (ii) they should work in a dedicated manner so as to inspire confidence in the rank and file of the labour,
- (iii) officers of the personnel department should develop a personal touch with the labour and their accredited representatives should be easily accessible for the redress of genuine grievances,
- (iv) personnel officers should ensure that all genuine grievances of the staff are attended to and redressed without delay, and
- (v) personnel director/manager should pay special attention to welfare work relating to the employees and their families.

<sup>3</sup>The mode of citation is: Committee on Public Undertakings, year, Lok Sabha, the Report number, Para number or page number in the case of 'Action Taken Report' of the Committee. CPU V LS, 1971-72, *17th Report*, Personnel Policies and Labour Management Relations in Public Undertakings, para 6.11.

<sup>4</sup>Administrative Reforms Commission, Government of India, *Report on Public Sector Undertakings* (Oct. 19, 1967) Recommendation No. 54(2).

<sup>5</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 6.12.

The recommendations of the Committee were accepted by the government<sup>6</sup> and instructions issued to operate the undertakings on the basis of the recommendations of the Committee.

### PERSONNEL POLICIES

The main thrust of recommendations of the Committee on Public Undertakings in regard to personnel policies is mainly on over-staffing, recruitment, training and promotion. These may now be taken up for analysis.

#### *Manpower Requirements and Over-staffing*

The policy of the government regarding overstaffing in public undertakings was first laid down in 1969<sup>7</sup> in view of the acceptance of the recommendations of the Administrative Reforms Commission<sup>8</sup> by the government. The government's policy divides the problems of overstaffing into two broad heads : (1) Over manning, resulting from employment of a large number of workmen during construction as departmental labour and failure/reluctance to part with their services after the construction work is over; and (2) General over-manning in the regular (production) organisations of the enterprises.

Regarding the first problem, the solution given in the government's policy is that assistance from regular construction organisations set up by the government, such as the National Projects Construction Corporation, the National Buildings Construction Corporation and the Hindustan Steel Works Construction, should be asked for by public enterprises for construction purposes, whenever possible. Regarding the question of reduction of surplus staff in the regular organisations of the enterprises they were expected to draw up schemes of voluntary retirement or retirement with ex-gratia payment to reduce their surplus staff to a certain extent.

The Committee observed the tendency of over-staffing in the public undertakings and pointed out the reasons as follows:

1. Lack of proper manpower planning and scientific studies to assess the requirements accurately.<sup>9</sup>

<sup>6</sup>CPU V LS, 1972-73, *30th Report*, p. 31. Ministry of Finance O.M. No.9(100)/71-BPE GN-1, dt. 27.10.72.

<sup>7</sup>Government of India, Ministry of Finance, B.P.E. O.M. No 2(178)/68BPE(GM), dt. 14.4.1969.

<sup>8</sup>CPU V 1972-73, *30th Report*, p. 68.

<sup>9</sup>CPU III LS, 1964-65, *1st Report*, National Buildings Construction Corporation Ltd., para 107; CPU III LS, 1964-65, *4th Report*, Life Insurance Corporation of India, para 108; CPU III LS, 1964-65, *5th Report*, Oil and Natural Gas Commission, para 146; CPU III LS, 1964-65, *6th Report*, Fertilizer Corporation of India Limited, para 238; CPU III LS, 1965-66, *22nd Report*, Indian Drugs and Pharmaceuticals Limited, para 64; CPU III LS, 1965-66, *29th Report*, Hindustan Steel Limited, Durgapur Steel Plant, para 98; CPU III

(Continued on next page)

2. Building up the staff strength beyond the provision of project reports.<sup>10</sup>
3. Employing large scale casual labour continuously while they have surplus staff.<sup>11</sup>
4. The strength of the labour force grew up due to ad hoc additions from time to time after take over of the existing company by the government.<sup>12</sup>
5. Employment of helpers.<sup>13</sup>

The Committee's recommendations for solving the problem of over-staffing are mainly on the following lines:

Immediate steps should be taken to carry out a study to determine the extent of surplus and an overall review of staff requirements should be made periodically.<sup>14</sup>

The scientific study should be entrusted to independent bodies like the management institutes or institutes like the National Productivity Council, etc., for making an objective assessment.<sup>15</sup>

The surplus staff should be absorbed in the expansion programme of the

*(Continued from previous page)*

LS, 1965-66, *30th Report*, Hindustan Steel Limited, Bhilai Steel Plant, para 166; CPU V LS, 1971-72, *1st Report*, Hindustan Steel Limited, para 6.15; CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, para 9.27; CPU V LS, 1971-72, *12th Report*, Food Corporation of India Limited, para 12.20; CPU V LS, 1971-72, *17th Report, op. cit.*, para 2.28; CPU V LS, 1972-73, *28th Report*, I.A.C., para 10.10; CPU V LS, 1972-73, *34th Report*, Indian Telephone Industries Limited, para 3.63; CPU V LS, 1972-73, *38th Report*, Hindustan Machine Tools Limited, para 7.32; CPU V LS, 1973-74, *54th Report*, State Farms Corporation of India Limited, para 11.20; CPU V LS, 1974-75, *66th Report*, National Seeds Corporation Limited, para 12.27.

<sup>10</sup>CPU IV LS, 1967-68, *10th Report*, National Coal Development Corporation Limited, para 104.

<sup>11</sup>CPU IV LS, 1968-69, *43rd Report*, Fertilizer Corporation of India Limited, para 8.16.

<sup>12</sup>CPU V LS, 1975-76, *88th Report*, Hindustan Zinc Limited, para 6.31.

<sup>13</sup>CPU V LS, 1971-72, *17th Report, op. cit.*, para 2.42.

<sup>14</sup>CPU III LS, 1964-65, *11th Report*, Hindustan Steel Limited, para 90; CPU III LS, 1965-66, *23rd Report*, I.A.C., para 204; CPU IV LS, 1968-69, *46th Report*, Indian Drugs and Pharmaceuticals Limited, para 10.10; CPU IV LS, 1969-70, *67th Report*, Production Management in Public Undertakings, para 8.24; and CPU V LS, 1972-73, *39th Report*, Pyrites, Phosphates and Chemicals Limited, para 12.23.

<sup>15</sup>CPU IV LS, 1967-68, *15th Report*, Financial Management in Public Undertakings, para 133; CPU IV LS, 1969-70, *67th Report*, Production Management on Public Undertakings, para 8.24; CPU IV LS, 1969-70, *68th Report*, Bokaro Steel Limited, para 5.35; CPU IV LS, 1969-70, *70th Report*, Indian Tourism Development Corporation Limited, para 8.27; CPU V LS, 1971-72, *1st Report*, Hindustan Steel Limited, para 6.10; CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, para 9.27; CPU V LS, 1971-72, *17th Report, op. cit.*, para 2.28; and CPU V LS, 1975-76, *75th Report*, National Coal Development Corporation Limited, para 5.14.

plants or employed in the other plants of the Undertakings.<sup>16</sup>

Posts like that of liaison officers<sup>17</sup> should be eliminated.

There should be fuller utilisation of the man power and suitable checks should be exercised on the staffing of the undertakings so that there is no idle manpower in the undertakings.<sup>18</sup>

Suitable norms for supervisors/workers ratio should be fixed on the shop floor at different levels.<sup>19</sup>

Compensation and benefits should be given if any worker wants to voluntarily retire.<sup>20</sup>

The indications given in the detailed project report about the staff strength should always be taken as the maximum.<sup>21</sup>

On the question of carrying out a study on the extent of surplus personnel, the reply of the government<sup>22</sup> was that 'action has been initiated' and 'it has been brought to the notice of the enterprises'. Regarding the recommendation of the Committee that the scientific study might be entrusted to an independent agency, the reply<sup>23</sup> of the government was 'accepted', 'efforts are being made' and 'brought to the notice of the enterprises' through the administrative ministries. At the same time, the government's reply points out that the advantages of regular industrial engineering studies cannot be had in a study made by an outside agency and that the reassessment of staff by an outside agency is not considered necessary.

As regards the recommendation on absorbing the surplus staff in expansion programmes<sup>24</sup> and elimination of some posts,<sup>25</sup> the reply of the government was, 'noted'. Regarding the fuller utilisation of the existing manpower, the government's reply<sup>26</sup> was that the project report did not

<sup>16</sup>CPU III LS, 1964-65, *11th Report*, Hindustan Steel Limited Rourkela Steel Plant, para 90; CPU III LS, 1965-66, *28th Report*, Hindustan Steel Limited Head Office, para 49; and CPU IV LS, 1968-69, *25th Report*, Praga Tools Limited, para 5.4.

<sup>17</sup>CPU III LS, 1966-67, *35th Report*, Indian Oil Company/Corporation Limited, (Marketing Division) para 265.

<sup>18</sup>CPU III LS, 1966-67, *37th Report*, Hindustan Steel Limited, para 169; and CPU IV LS, 1967-68, *10th Report*, National Coal Development Corporation Limited, para 105.

<sup>19</sup>CPU V 1971-72, *19th Report*, Heavy Electricals (India) Limited, para 4.102.

<sup>20</sup>CPU V 1974-75, *63rd Report*, National Textile Corporation Limited, para 12.8.

<sup>21</sup>CPU V 1974-75, *67th Report*, Fertilizer and Chemicals Travancore Limited, para 9.18, and CPU V 1975-76, *75th Report*, National Coal Development Corporation, Ltd., para, 5.18.

<sup>22</sup>CPU III 1964-65, *33rd Report*; CPU IV 1968-69, *36th Report*, p. 13; CPU V 1971-72, *4th Report*, p. 17; CPU V 1971-72, *9th Report*, p. 30; and CPU V 1973-74, *48th Report*, p. 46.

<sup>23</sup>CPU IV LS, 1969-70, *50th Report*, CPU V LS, 1971-72, *9th Report*, p. 30; CPU V LS, 14th Report, p. 53; CPU V LS, 1971-72, *6th Report*, p. 39; CPU V LS, 1973-74, *41st Report*, p. 39; CPU V LS, 1972-73, *26th Report*, p. 19; and CPU V LS, 1972-73, *30th Report*, p. 8.

<sup>24</sup>CPU III LS, 1964-64, *33rd Report*, CPU IV LS, 1968-69, *31st Report*, p, 5; CPU IV LS, 1969-70, *58th Report*, p. 11.

<sup>25</sup>CPU IV LS, 1968-69, *39th Report*, p. 27.

<sup>26</sup>CPU IV LS, 1968-69, *29th Report*, p. 21; and CPU IV LS, 1969-70, *61st Report*, p. 43.

include the workers who were already in position. The recommendations pertaining to the fixing supervisory-workers ratio,<sup>27</sup> compensation to workers who retire voluntarily<sup>28</sup> and taking the staff strength given in the detailed project report as maximum,<sup>29</sup> the reply of the government was that these recommendations were being implemented but difficulties were encountered in securing the consent of the labour unions.

The Committee emphatically stressed<sup>30</sup> that it should be the foremost duty of each undertaking to analyse objectively the extent of over-staffing and then, in consultation with the representatives of the workers, draw up realistic schemes for working off the surplus by either providing them training for new jobs where vacancies may exist or in expansion schemes or by inducing them to accept transfers to new undertakings. In reply<sup>31</sup> to the above suggestion, the government stated that the various suggestions for working off surplus were outlined in the communications<sup>32</sup> of government. The instructions of the government have been that enterprises who<sup>33</sup> already have the requisite technical competence such as adequate industrial engineering organisations may carry out studies to determine the extent of over-staffing. If, however, the enterprises do not have such technical competence, such an assessment could be made through consultants such as the Institute of Applied Manpower Research, the National Productivity Council, the Indian Institute of Management, Ahmedabad and Calcutta, and the Administrative Staff College of India, Hyderabad, etc. If any enterprise had any difficulty in selecting a consultant, it could take the advice of the Bureau of Public Enterprises. Once the extent of over-staffing is determined, various schemes to absorb the surplus staff may be formulated in consultation with the representatives of workers wherever possible.

Thus on this question the government seem to have laid down steps to be taken, but the only constraint seems to be the attitude of the trade unions.

#### *Recruiting Policy*

Detailed recruitment and promotion rules are necessary not only to ensure a uniform application of rules by the management but also to keep the employees informed of the existing procedure in unambiguous terms. A set of well defined rules also keeps the management free from allegations of favouritism.

It is of primary importance that recruitment, promotion and service

<sup>27</sup>CPU V LS, 1972-73, *32nd Report*, p. 14.

<sup>28</sup>CPU V LS, 1975-76, *87th Report*, p. 51.

<sup>29</sup>CPU V LS 1975-76, *81st Report*, p. 52.

<sup>30</sup>CPU V LS 1971-72, *17th Report*, *op. cit.*, para 2.29.

<sup>31</sup>CPU V LS 1972-73, *30th Report*, p. 59; and O.M. No. 46/Adv. (F)/ BPE/77, dated 12.11.1968.

<sup>32</sup>O.M. No. 2(178)/68/BPE, GM, dated 14.4.1968, and O.M. No. 1(7)/DAP(R)/69, dated 11.3.1971.

<sup>33</sup>O.M. No. 8(1)/72/BPE(K), dated 23.8.1972.

rules should be framed for any undertaking, so that the administrative and personnel practices conform to well defined policies.

The Committee on Public Undertaking<sup>34</sup> pointed out that recruitment rules are not framed by the public undertakings and even if they are framed delays occur. Hence the Committee recommended framing detailed recruitment and promotion rules and reviewing the rules periodically to make sure that they were in conformity with the developments in personnel management. Further, the Committee<sup>35</sup> suggested that the Bureau of Public Enterprises should develop a manual of recruitment rules which would provide detailed guidelines based on concrete cases so that it could serve as a useful reference volume.

The Committee in its report on 'Personnel Policies and Labour Management Relations in Public Undertakings'<sup>36</sup>, a horizontal study, recommended that better opportunity should be provided to local persons for employment in public undertakings, adequate representation to scheduled castes and scheduled tribes and preference in employment to the physically handicapped persons to set an example as a model employer. The attention of the public enterprises and the ministries in the administrative control thereof was drawn to this recommendation of the Committee for compliance through the government memorandum.<sup>37</sup>

*Follow Up:* The Committee recommended<sup>38</sup> that there should be a system of 'follow up' of recruits through the first few years, if not right through the career in order to derive lessons about the future mode of recruitment. The idea was to see how persons selected through a certain procedure and technique of recruitment fared so that the procedure and technique could be modified, if necessary to serve better the interest of the undertakings. This recommendation was accepted and communicated to the enterprises for implementation.<sup>39</sup>

The recommendations of the Committee on 'recruitment policy' resulted in a clear-cut governmental policy on the various aspects of recruitment.

<sup>34</sup>CPU III LS, 1966-67, *37th Report*, Hindustan Shipyard Limited, para 171; CPU IV LS, 1969-70, *63rd Report*, National Industrial Development Corporation Limited, para 6.34; CPU IV LS, 1969-70, *70th Report*, Indian Tourism Development Corporation Limited, para 8.40; and CPU V LS, 1971-72, *16th Report*, Oil and Natural Gas Commission, para 10.66.

<sup>35</sup>CPU V LS, 1971-72, *17th Report*, *op cit.*, para 3.29.

<sup>36</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 3.30, 3.31, 3.32, 3.37 and 3.38.

<sup>37</sup>Local persons—BPE O.M. No. 9(100)/71-BPE (GM-I), dt. 27.10.72, Scheduled Castes, Scheduled Tribes BPE O.M. No.9(100) 71-BPE GM-I, dt. 25.10.72. Ex-Serviceman—In Jan. 1972 Government had decided to issue a formal directive to Public Enterprises to reserve 17 per cent and 27½ per cent posts equivalent to Class III and IV Central Services respectively for ex-servicemen and dependents of those of whom were killed in action. BPE G.O.M. No.9(100)71-BPE (GMII) dt. 25.10.72 Physically handicapped —O.M. No. 9 (100)71-BPE GM II, dt. 25.10.72.

<sup>38</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 3.34.

<sup>39</sup>O.M. No. 9 (100)/71-BPE (GM-I)-II, dated 24.10.72.

### *Training*

The need for training of personnel in public enterprises can be visualised from two points of view. First, many of the public enterprises operate industries which are new to the country. Hence there is no pool of developed personnel in the country in such areas. Secondly, many of the public enterprises suffer from the problem of under-utilisation of capacity, one of the important reasons for which is lack of adequate technical know-how. For these reasons, the management should draw up a well coordinated and time bound training programme for development of skills at all levels of workers and supervisors in order to utilise the capacity of the plant at optimum level.<sup>40</sup> Hence the Committee<sup>41</sup> suggested that training of personnel should be coordinated with the actual needs and it should be thorough and economical. The Committee also suggested that suitable training programmes for workers should be introduced. Further, the posting of a trained person on a job other than that for which he has been trained, is a waste of the training given at cost. If this happens, it would indicate that training of personnel is not coordinated with the actual needs. Hence, there is need not only for proper training but also for proper posting of trained personnel.

### *Refresher Courses*

Apart from the training courses, there is need for conducting refresher courses from time to time, because of changing techniques. Refresher course should be given to persons who have been once trained so that knowledge of the latest or advanced techniques can be imparted to them. Hence the Committee<sup>42</sup> recommended the drawing up of refresher courses for the various grades of technical personnel, in order to ensure maintenance of high standards of skill and performance. On this, the reply of the government<sup>43</sup> is 'noted'. It may be pointed out that the Committee<sup>44</sup> emphasised that training courses for outside candidates would have to be more exhaustive than for in-plant candidates and that adequate facilities should exist in the plants for employees to improve their prospects through training courses.

Further, the Committee emphasised that the main burden of training the workers after recruitment should necessarily be borne by the undertakings. In respect of the training of specialists and technicians, the government have accepted the recommendations of the Administrative Reforms

<sup>40</sup>CPU V LS, 1971-72, *21st Report*, Bharat Heavy Electricals Limited, para 3.34.

<sup>41</sup>CPU III LS, 1964-65, *11th Report*, Hindustan Steel Limited, para 103; CPU III LS, 1965-66, *23rd Report*, I.A.C., para 218; and CPU IV LS, 1968-69, *27th Report*, Hindustan Cables Limited, para 3.11.

<sup>42</sup>CPU III LS, 1966-67, *35th Report*, Indian Oil Company / Corporation Limited, para 268; CPU IV LS, 1967-68, *9th Report*, C.W.C., para 179; and CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, para 8.20.

<sup>43</sup>CPU IV LS, 1968-69, *39th Report*, page 28; CPU IV LS, 1968-69, *32nd Report*, page 11; and CPU V LS, 1972-73, *26th Report*, p.17.

<sup>44</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, paras 4.15, 4.16, 4.17.

Commission that the primary responsibility would be of the undertakings themselves and, where desirable, the undertakings operating in the same field of technology should engage themselves cooperatively in this area. The National Commission on Labour has made recommendations pertaining to the employers' responsibility in providing suitable training to the workers, particularly to re-equip them with new skills required to prevent obsolescence. Also the need to grant adequate study leave<sup>45</sup> has been emphasised by the Commission. The views of the Commission have been accepted by the government<sup>46</sup> and have been brought to the notice of the public enterprises for necessary action. Hence the reply of the government has been that they have taken measures on the recommendations of the Administrative Reforms Commission<sup>47</sup> made in their report on public sector undertakings and of the report of the National Labour Commission<sup>48</sup> which would go to achieve the objectives of the above recommendations made by the Public Undertakings Committee.<sup>49</sup>

#### *Non-Indian Personnel*

The government have issued comprehensive instructions<sup>50</sup> regarding the appointment of non-Indians to posts in public undertakings. According to the general policy laid down in this behalf, appointment of non-Indians should be only in very exceptional circumstances and then also on a contract for the minimum period necessary; simultaneously suitable steps should be taken to train Indians to fill such posts on a regular basis. Prior approval of the minister in charge or the deputy minister of the administrative department under which the public undertaking is functioning is also required for this. The Committee suggested that the instructions of the government should be followed in letter and spirit.<sup>51</sup> Further, the Committee<sup>52</sup> suggested that Indians may be attached to non-Indian personnel so that they are able to pick up the intricacies of the work and develop capability of handling the same on their own at the earliest. In reply<sup>53</sup> the government stated that

<sup>45</sup>The CPU V LS, 1971-72, *17th Report, op. cit*, para 4.19 also suggested facilities including leave for workers at all levels so that they can improve their skill and knowledge and quality for higher posts.

<sup>46</sup>O.M. No. BPE (I&R) F. 41. (NCL-2)/70, dt. 21.3.1970 and O.M. No. 4 (23)/69-NCL III, dated 24.1.1970. (3) CPU V LS, 72-73, *30th Report*, p. 23-24.

<sup>47</sup>Report of the Administrative Reforms Commission Recommendation No. 50, GOI Oct. 1967.

<sup>48</sup>*Report of the National Commission on Labour*, GOI, 1969 paras 8.21, 8.24.

<sup>49</sup>Government accepted these recommendations and issued instructions for its implementation. Ministry of Labour & Employment No. 4 (23) 69-NCL III, dt. 24.1.70.

<sup>50</sup>O.M. No. 20/106/46-Ests (S) dt. 4.11.1946 Home Affairs-O.M. No. 12/9/65-Estb. (B) dt. 23.2.1966 to all Ministries. D.M. No. 9 (100), 71 (BPE) (GM-I) dt. 23.10.1972.

<sup>51</sup>CPU V LS, 1971-72, *17th Report, op. cit*, para 7.14.

<sup>52</sup>CPU V LS, 1972-73, *17th Report, op. cit*, para 7.14.

<sup>53</sup>CPU V LS, 1972-73, *30th Report*, page 33. BPE O.M. No. 9 (100) 71 BPE (GMI) dt. 25.10.1972.

comprehensive instructions have been issued to the administrative ministries and public undertakings to incorporate the recommendations of the Committee.

The Committee emphasised<sup>54</sup> the need for intensified and specialised training schemes to be launched with a view to achieving cent per cent Indianisation of technical personnel so as to obviate the necessity for training abroad as far as possible.

#### *Drop-Outs*

The Committee<sup>55</sup> recommended that public undertakings should ensure that there are no drop-outs among the trainees. Further, the Committee<sup>56</sup> suggested that government should consider obtaining from the trainees bonds in proper form so that after the completion of training, the trainees would serve the undertakings for a specified period. The government's reply<sup>57</sup> is 'noted' and 'will be duly kept in view'.

From the foregoing analysis it will be seen that the Committee's main emphasis on training of personnel in public undertakings is that it should be well coordinated and time bound for development of skills at all levels of workers and supervisors in order to utilise the capacity of the plant at optimal level. The Committee has emphasised refresher courses and Indianisation of technical personnel. But there are already comprehensive instructions issued by the government on these recommendations as a result of the government's acceptance of similar recommendations of the Administrative Reforms Commission and the National Labour Commission.

Here, the Committee seems to have been concerned with the effective implementation of the government's policy regarding 'training' and as such recommended that appropriate schemes for different categories of technicians be devised by the undertaking both in the plant and outside.

#### *Promotion Policy*

Promotion policy is one of the most controversial areas adversely affecting industrial relations. The areas where conflicts regarding promotion arise are :

1. The extent of filling up posts by promotion from the lower grades at each level, i.e., whether it should be cent per cent by promotion

<sup>54</sup>CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, para 8.19; CPU V LS, 1972-73, *26th Report*, page 34, Bharat Earth Movers Limited, have taken necessary steps in regard to intensification of training programme as well as imparting of specialised training to their personnel.

CPU V LS, 1975-76, *77th Report*, Steel Authority of India Limited, para 9.61.

<sup>55</sup>CPU V LS, 1974-75, *64th Report*, I.P.C.L., para 9.34.

<sup>56</sup>CPU V LS, 1972-73, *28th Report*, A.I.C., para 10.75.

<sup>57</sup>CPU V LS, 1975-76, *84th Report*, page 34; and CPU VLS, 1973-74, *53rd Report*, p. 90.

from below or a combination of promotion plus direct recruitment at different levels.

2. The minimum qualifying period of service for promotion to the next higher grade.
3. The weightage to be given to seniority in relation to merit where promotion from within the organisation is the policy.

The Committee suggested that the entire question of promotions in public undertakings should be reviewed by the government. Broadly the Committee<sup>58</sup> recommended that:

- (i) Seniority should be the basis for promotion at lower levels. There should be a promotion committee for the lower levels in each undertaking.
- (ii) In respect of middle management level (technical, supervisory and administrative personnel), seniority-cum-merit should be the criterion for promotion. The general policy should be to fill as many as possible from internal sources by promotion. Only when suitable persons are not available, resort to outside recruitment may be made, on all-India basis. A promotion committee should be set up for middle management level in each undertaking.
- (iii) For higher managerial (technical and administrative) positions merit alone should be the guiding factor. As far as possible, talented and professionally competent persons should be selected from within the undertaking for managerial posts. If, however, suitable and competent persons are not available inside the organisation, selection on all-India basis may be made.

The Committee further suggested that it was the duty of Bureau of Public Enterprises, the Ministry of Industrial Development and the administrative ministries concerned to make sure that the model principles are circulated.

#### *Model Principles*

At the meeting of the heads of public sector undertakings held in July 1963, it was decided that a model promotion procedure should be drawn up so as to minimise the grievances of the workers arising out of the promotions ordered by the management. A set of draft model principles was evolved in the light of studies and discussions and were placed before the

<sup>58</sup>CPU V LS, 1971-72, *17th Report, op. cit.*, para 5.22. These recommendations were given in other reports also : CPIJ III LS, 1966-67, *35th Report*, Indian Oil Comp./Corporation Limited, para 278; CPU IV LS, 1967-68, *14th Report*, Heavy Engineering Corporation Limited, para 155; and CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, paras 9.30, 9.31.

5th meeting of the heads of public sector undertakings held in July, 1966. It was decided that a small sub-committee<sup>59</sup> comprising representatives of certain public sector undertakings and of ministries of mines and metals, industry, and labour and employment should go into the question of a suitable model promotion procedure. The sub-committee met in January 1967 and agreed upon certain changes in model principles. These changes have been incorporated and the draft was finally approved by the members of the sub-committee. The Ministry of Labour, Employment and Rehabilitation (department of labour and employment) had evolved model principles to be followed when effecting promotion of industrial workers in public sector undertakings.<sup>60</sup>

The Ministry of Industrial Development and Company Affairs (department of industrial development) were under the impression that these model principles had been circulated to all the ministries concerned with public sector undertakings, by the Ministry of Labour, Employment and Rehabilitation. However, as this had not been circulated, a circular<sup>61</sup> was sent to all the ministries concerned with public undertakings for the model principles to be followed when effecting promotion of industrial workers in public undertakings.

As desired by the Committee<sup>62</sup> the matter was followed up by the Bureau of Public Enterprises<sup>63</sup> to make sure that the model principles were given effect to in letter and spirit by the undertakings. It was requested by the government that action taken by each of the undertakings might be intimated to the Bureau by end January 1972 at the latest so that such information could be consolidated, and supplied to the Committee on Public Undertakings. The Bureau<sup>64</sup> could obtain the position regarding adoption of the model principles in the case of 97 enterprises. An overall analysis of the position regarding these 97 enterprises brings out that 51 have by and large adopted the model principles or have made substantial progress in that direction; 22 have taken steps or are in the process of framing/revising their service rules; 18 reported that there were no industrial workers in their organisations to whom the model principles were applicable; 6 stated that they were set up recently and that they would keep in view the model principles while framing the recruitment and promotion rules.

<sup>59</sup>A sub-committee was accordingly set up for the purpose in December 1966.

<sup>60</sup>O.M. No. 2 W. 1 (1)-31 (7)/66, dt. 3.7.1967.

<sup>61</sup>O.M. No. Pre. 14 (3)/67, dt. 21.1.1969.

<sup>62</sup>CPU V LS, 1971-72, 17th Report, *op. cit.*, para 5.21.

<sup>63</sup>O.M. No. 9 (1)/72-BPE (IC) dt. 26.5.1972 BPE has been entrusted with the work of consolidation and onward transmission to the Committee who desired to be informed of such action in detail.

<sup>64</sup>BPE O.M. No. 9 (100)/71-BPE (GM I), dt. 29.3.1973.

## LABOUR MANAGEMENT RELATIONS

*Labour Unions*

Multiplicity of trade unions lead to inter-union rivalries.<sup>65</sup> A single bargaining agent in each undertaking is essential in order to reach any meaningful or lasting agreement with the workers. It will also avoid unhealthy competition between unions and reduce inter-union rivalries.<sup>66</sup> The Committee<sup>67</sup> therefore, suggested that the criterion that a labour union having 15 per cent or more of the total membership is eligible for recognition may be revised to 30 per cent of the total membership to give it a more representative character. Where no registered union, functioning in an undertaking, can satisfy the condition of 30 per cent of membership, the Committee suggested that the union with the largest number of members and percentage of membership may be recognised. If the verification of the membership of the registered unions does not prove to be conclusive on account of differences in membership being marginal for the purpose of throwing up the most representative union for recognition, the Committee suggested that resort may be had to secret ballot to determine the most representative registered union.<sup>68</sup> It may be pointed out that the National Commission on Labour has made similar recommendation stating that a trade union seeking recognition as a bargaining agent from an individual employer should have a membership of at least 30 per cent of workers in the establishment.<sup>69</sup> It is for this reason that the government, in its reply to the above recommendations of the Committee, pointed out<sup>70</sup> that similar recommendations had been made by the National Commission on Labour and accepted at the 29th session of the standing labour committee. Further, the government's reply was that a comprehensive law on industrial relations covering the criteria for recognition of trade unions, minimum percentage required for recognition, sole bargaining agent and associating unrecognised unions in bilateral negotiations on certain matters, etc., was under consideration of the government.

Thus the recommendations of the Committee on Public Undertakings

<sup>65</sup>CPU V LS, 17th Report, *op. cit.*, para 10.25.

<sup>66</sup>*Ibid.*, para 10.26.

<sup>67</sup>*Ibid.*, para 10.24.

<sup>68</sup>Though the Indian Trade Unions Act, 1926 provides for registration of unions, under certain conditions, it does not cast any obligation on the unions to seek registration under the Act nor does it impose any obligation on the management.

The Administrative Reforms Commission, Government of India—The Study Team on Public Sector Undertakings, p. 84—has suggested that the possibility of adopting the “check off system” (under which union dues are collected by making deductions from wages) should be examined as it would lead to an automatic verification of the membership of different unions and would also mitigate the difficulties experienced by the unions in releasing union dues.

<sup>69</sup>Report of the National Commission on Labour, p. 329.

<sup>70</sup>CPU V LS, 1972-73, 30th Report, p. 36.

on the matter of labour management relations overlap those of the National Labour Commission and hence it is difficult to conclude about the impact of the Committee's recommendation in this regard on governmental policy.

#### *Grievance Machinery*

For the efficient and economic working of any undertaking it is necessary that there should be understanding and cooperation between labour and management. Under the Industrial Disputes Act, 1947<sup>71</sup> the management of industrial undertakings is expected to draw up, in consultation with the workers, and adopt a mutually agreed grievance procedure to deal with the day-to-day grievances at the level of the undertakings. Hence the Committee<sup>72</sup> recommended that the statutory requirement of the grievance procedure as laid down by the Industrial Disputes Act should be complied with.

However, in a subsequent report, the Committee observed that the existing grievance procedure, though useful, was time consuming and cumbersome and at times failed to arouse a sense of satisfaction in the individual worker. Hence the Committee recommended<sup>73</sup> that conditions should be created so that the workers could continue to work unperturbed pending the settlement of dispute.

The Committee in its report on 'Personnel Policies and Labour Management Relations in Public Undertakings'<sup>74</sup> recommended that:

- (i) the model grievance procedure<sup>75</sup> should be given a statutory shape and character;
- (ii) it should be prompt, simple and time bound;
- (iii) the supervisors/managers should be given training to handle grievances and to dispose them of effectively. There should also be

<sup>71</sup>Under the Industrial Disputes Act, 1947 the Grievance Machinery consists: (a) Mediation and Conciliation, (b) Adjudication, (c) Voluntary Arbitration as distinct from consultancy arbitration in the joint Consultative Machinery.

<sup>72</sup>CPU III LS, 1964-65, *6th Report*, Fertilizer Corporation of India Limited, para 263. A grievance procedure has been finalised. CPU IV LS, 1968-69, *41st Report*, p. 22; CPU V LS, 1971-72, *1st Report*, Hindustan Steel Limited, para 6.33. Joint Committee have been evolved in agreement with trade unions. CPU V LS, 1973-74, *41st Report*, p. 45.

A machinery has been evolved for redressal of grievance CPU V LS, 1973-74, *42nd Report*, p. 103; CPU V LS, 1971-72, *12th Report*, Food Corporation of India Limited, para 12.32.

<sup>73</sup>The reply of the government was 'noted' and the public Undertakings are being advised accordingly; CPU V LS, 1972-73, *30th Report*, p. 46.

BPE O.M. No. 9 (100)/71-BPE (GM I) dt. 25.10.72.

<sup>74</sup>Labour Management Relations in Public Undertakings, para 12.19 (CPU V LS, 1971-72, *17th Report*).

<sup>75</sup>The model grievance procedure evolved under the code of discipline is only indicative and being voluntary, the management and the workers may set up mutually agreed procedure to suit the requirements of particular undertakings/unit.

sufficient delegation of authority to them to deal with grievances promptly;

- (iv) the unresolved grievances may be brought expeditiously to the notice of the higher echelons in management so that these are settled quickly.

These recommendations of the Committee are in tune with the recommendations of the National Labour Commission.<sup>76</sup> The reply<sup>77</sup> of the government has been that the question of giving statutory character to the grievance procedure is already under consideration of the government as part of comprehensive legislation.

#### *Workers' Participation in Management*

In the interest of efficient and economic working of a project, it is necessary that there should be complete understanding and cooperation between labour and management. The public enterprises have a special role to play in this regard.<sup>78</sup> As pointed in the Third Plan,<sup>79</sup> "The large expansion of the public sector which is occurring and is being envisaged will make a qualitative difference in the tasks set for the labour movement and will facilitate the transformation of the special structure on the lines of the socialistic pattern in view".

The Committee stressed<sup>80</sup> as far back as 1964-65 the need for constituting joint management councils and this has been repeated in a number of subsequent reports.

<sup>76</sup>National Labour Commission Recommendations—GOI, 1969, paras 24.28 to 29.31.

<sup>77</sup>CPU V LS, 1972-73, *30th Report*, p. 46. BPE. O.M. No. 9 (100)/71-BPE (GM I) dated 15.10.1972 No. BPE/CL 001/76/MAN/2(110)/75-BPE GM (I), dt. 1.1.1976.

<sup>78</sup>A special unit has been set up in the Ministry of Labour and Employment for the setting up of Joint Management Councils and working out the relevant details.

<sup>79</sup>*Third Five Year Plan Document*, Planning Commission, New Delhi, p. 33.

<sup>80</sup>CPU III LS, 1964-65, *6th Report*, Fertilizer Corporation of India Limited, para 262.

Government reply was : Action to set up a Joint Management Council at the Nangal Unit of the Fertilizer Corporation of India Limited will be taken at the appropriate time. CPU IV LS, 1968-69, *41st Report*, p. 32; CPU III LS, 1965-66, *29th Report*, Hindustan Steel Limited, para 111.

Government reply was : The industrial relations at Durgapur have been far from satisfactory. CPU IV LS, 1968-69, *33rd Report*, p. 19-20; CPU III LS, 1966-67, *37th Report*, Hindustan Shipyard Limited, para 176.

Government reply was : Labour union have not indicated their willingness to participate in the formation of joint management council. CPU IV LS, 1968-69, *29th Report*, p. 122; CPU IV LS, 1967-68, *14th Report*, Heavy Engineering Corporation Limited, para 159.

Government reply was : works committees have been formed but no progress has been achieved due to acute inter-union and intra-union rivalry. CPU V LS, 1971-72, *13th Report*, p. 27; CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, para 9.38 Government reply was : works committee has been set up and this is working satisfactorily. CPU V LS, 1972-73, *26th Report*, p. 36.

The Committee in its report on "Personnel Policies and Labour Management Relations in Public Undertakings"<sup>81</sup> expressed strongly in favour of participation of workers and their representatives in the management of public undertakings and recommended that—

- (i) workers, through their duly elected representatives, must participate in actual decision making;
- (ii) this participation should be at all levels beginning from the shop level to the board of directors; and
- (iii) the participation means that workers and their representatives should not only be consulted, but should also feel that they are actual partners in management.

If the workers' participation in management is to be real, it should be achieved at all the levels. The Committee further opined<sup>82</sup> that the participation of workers in the management can be achieved through the elected representatives of the workers. In reply to this recommendation, the government have decided that the scheme for appointment of workers' representatives on the board of management should be initially tried in a few public undertakings other than financial and commercial undertakings. Sensitive defence and strategic undertakings, including those relating to atomic energy, are also to be kept out of the purview of the scheme.<sup>83</sup> Guidelines were<sup>84</sup> evolved for the working of the scheme. The reply of the government has not been accepted by the Committee<sup>85</sup> and it commented that the government have not appreciated the intention and spirit of the above recommendations which are of a very fundamental nature inasmuch as they pointed out that more appointment of workers' representatives on the board of management without workers' participation at all levels will have only a symbolic value.

If the workers' participation in management is to be real, it should be

<sup>81</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 8.27. These recommendations were reiterated in subsequent reports of the Committee also CPU V LS, 1972-73, *38th Report*, Hindustan Machine Tools Limited, para 13.23; CPU V LS, 1973-74, *40th Report*, Role and Achievements of Public Undertakings, para 3.27; CPU V LS, 1974-75, *63rd Report*, National Textile Corporation Limited, para 12.9; CPU V LS, 1975-76, *77th Report*, Steel Authority of India Limited, para 9.37.

The replies of the Government have been that of 'noted' and 'action is being taken' CPU V LS, 1974-75, *58th Report*, p. 46; CPU V LS, 1975-76, *72nd Report*, p. 9; and CPU V LS, 1975-76, *87th Report*, p. 51.

<sup>82</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 8.32. The Administrative Reforms Commission also recommended that in the joint management council, the workers' representative should be elected by all the workers and not nominated by the Unions. Administrative Reforms Commission Report on Public Sector Undertakings Recommendations No. 59.

<sup>83</sup>CPU V LS, 1972-73, *30th Report*, p. 55.

<sup>84</sup>O.M. No. 9 (100)/71-BPE (GM-I), dt. 10.11.1972.

<sup>85</sup>CPU V LS, 1972-73, *30th Report*, p. 7

achieved at all levels. Workers at shop level may elect representatives who will cooperate with the supervisor in all matters concerning the shop. Similarly, workers should elect their representatives to participate at higher levels and in all matters concerning target fixation, performance, recruitment, promotions, disciplinary actions, safety, welfare and working conditions. This also will give a meaning and content to workers' participation in management and will arouse among the workers a sense of belonging and playing a productive role in the larger national interest.<sup>88</sup> Only when participation is ensured, will nomination of workers' representatives to the board of directors ensure real significance. Divorced from participation at lower levels, the nomination of workers' representatives to the board of directors will have only a symbolic meaning and might lead to alienation of the workers' representatives from the mass of the workers or at best their presence would be nominal.

#### *Other Relevant Aspects*

*Absenteeism* : Absenteeism refers to the worker's absence from his regular task when he is normally scheduled to work.

Absenteeism not only results in excessive overtime payments but also affects the efficiency and smooth functioning of the concerned departments of the undertaking. The Committee recommended<sup>89</sup> that effective steps should be taken to reduce the incidence of absenteeism. In the opinion of the Committee "proper procedure for grant of leave to staff"<sup>90</sup> plugging the loopholes leading to a misuse of the Employees State Insurance Scheme facilities on medical grounds<sup>91</sup> and introducing a special bonus for attendance during the seasons when the percentage of absenteeism is more,<sup>92</sup> are the solutions for the high rate of absenteeism. The Committee in its report on Hindustan Zinc Ltd.<sup>93</sup> pointed out that absenteeism ranged from 11 to 22 per cent and observed that the malady of absenteeism should be dealt with firmly and eradicated in the interest of achieving higher production at economic cost in the larger national interest. The reply of the government has been 'noted'.<sup>94</sup> On the report on Hindustan Cables, the government opined that<sup>95</sup> during the agricultural and harvesting seasons, seasonal absenteeism has been unavoidable to a certain extent.

<sup>86</sup>CPU V LS, 1971-72, 17th Report, *op. cit.*, para 8.32.

<sup>87</sup>CPU III LS, 1964-65, 11th Report, Hindustan Steel Limited, para 96.

<sup>88</sup>CPU III LS, 1965-66, 23rd Report, I.A.C., para 199.

<sup>89</sup>CPU IV LS, 1967-68, 8th Report, Hindustan Aircraft Limited/Hindustan Aeronautics Limited, para 206.

<sup>90</sup>CPU IV LS, 1968-69, 27th Report, Hindustan Cables Limited, para 4.7.

<sup>91</sup>CPU V LS, 1975-76, 88th Report, Hindustan Zinc Limited, para 6.34.

<sup>92</sup>CPU III LS, 1965-66, 33rd Report; CPU IV LS, 1968-69, 36th Report, p. 13; CPU IV LS, 1969-70, 60th Report,

<sup>93</sup>CPU V LS, 1971-72, 8th Report, p. 10.

*Overtime:* The payment of large sums of overtime on a regular basis not only increases the cost of the end product but also lowers the efficiency and morale of the staff. The Committee stressed<sup>94</sup> the need for control over the payment of overtime allowance and for taking effective measures to minimise the incidence of overtime payments.

The Committee in its report on the Fertilizer Corporation of India<sup>95</sup> observed that the overtime was not restricted to skilled personnel only but paid in all departments including stores, administration, security, estate, medical and transportation departments. The reply of the Government<sup>96</sup> was that it became necessary to incur overtime in the stores department in case a large number of wagons were received and had to be unloaded to avoid demurrage. The payment of overtime in the case of security department became necessary particularly during times of labour unrest. Further, the government's reply<sup>97</sup> was that due to absenteeism, workers present on duty were put on overtime work and when there was sudden breakdown or where emergent maintenance was required to be attended to, workers concerned had to be put on overtime work.

The Committee in its report on Indian Airlines Corporation<sup>98</sup> recommended that overtime should be reduced substantially. The government<sup>99</sup> 'noted' and has accepted the recommendations. That is why the Committee in its later report on the Indian Airlines Corporation<sup>100</sup> felt greatly concerned about the increase in overtime allowed and recommended that the Corporation should spare no efforts to increase the productivity and exercise strict check on absenteeism and wasteful practice pointed out by the engineering staff association of the Corporation<sup>101</sup> so as to reduce the incidence of overtime to the minimum. The government in its reply<sup>102</sup> stated that the Corpo-

<sup>94</sup>CPU III LS, 1964-65, *5th Report*, Oil and Natural Gas Commission, para 149; CPU III LS, 1964-65, *11th Report*, Hindustan Steel Limited, para 99; CPU III LS, 1965-66, *30th Report*, Hindustan Steel Limited, para 169.

<sup>95</sup>CPU III LS, 1964-65, *6th Report*, Fertilizer Corporation of India Limited, para 253; and CPU IV LS, 1968-69, *43rd Report*, Fertilizer Corporation of India, Limited, para 8.20.

<sup>96</sup>CPU IV LS, 1968-69, *41st Report*, p. 67.

<sup>97</sup>CPU III LS, 1965-66, *23rd Report*, I.A.C., para 200.

<sup>98</sup>CPU III LS, 1965-66, *23rd Report*, I.A.C., para 200. The overtime payment had showed a continuous rising trend (an increase of 17 per cent within a period of 5 years) and the amount of overtime paid had gone up from 111.43 lakhs in 1966-67 to Rs. 298.77 lakhs in 1971-72. The Committee also noted that the total staff strength of the Corporation had also increased by 20 per cent in this period (para 10.3). CPU V, LS 1971-72, *12th Report*, Food Corporation of India Limited, para 12.28. Expenditure on overtime allowances has increased from about Rs. 10 thousand in 1965-66 to Rs. 56 lakhs in 1970-71. CPU V LS, 1973-74, *42nd Report*, p. 102. The reply of the Government has been 'noted'.

<sup>99</sup>CPU IV LS, 1968-69, *36th Report*, p. 13.

<sup>100</sup>CPU V LS, 1972-73, *28th Report*, I.A.C., para 10.52.

<sup>101</sup>CPU V LS, 1972-73, *28th Report*, I.A.C., para 7.21.

<sup>102</sup>CPU V LS, 1973-74, *52nd Report*, I.A.C., p. 53-55.

ration had made a note of this unsatisfactory trend and steps were being taken to improve the productivity of the employees of the Corporation.

The Committee suggested<sup>103</sup> a review of the expenditure on overtime allowance in the public sector by the Bureau of Public Enterprises to assess as to how far it was for productive purposes and to issue suitable instructions to the public undertakings in this regard. In reply the government<sup>104</sup> stated that the Bureau of Public Enterprise had collected information on the question of overtime allowance paid by various public enterprises during 1971-72, 1972-73 and 1973-74. After analysis of data, suitable instructions would be issued to the public enterprises.

*Labour Productivity* : The Committee recommended<sup>105</sup> that public undertakings should make a critical study of the reasons for the decline in productivity and take concerted measures to bring it up to the optimum level. The Committee in its report on SAIL<sup>106</sup> observed that steel plants abroad<sup>107</sup> i.e., Japan, West Germany and USA, had been able to raise productivity of labour to 247, 122 and 235 tonnes per man-year respectively. In India, the productivity of labour in Bhilai, Durgapur and Rourkela steel plants came down to 63, 33 and 42 ingot tonnes per man-year respectively in 1973-74 from 79, 39 and 47 respectively in 1969. Even if labour productivity in countries abroad is not comparable with that of India for reasons indicated by SAIL<sup>108</sup> the Committee stressed that the improvement in labour productivity was an imperative need for all progressive and developing countries. Hence the Committee suggested an analysis of the reasons for deterioration in productivity and suitable steps to improve productivity and try to achieve the minimum level of productivity of 125 ingot tonnes per man-year.

*Incentive Schemes* : Incentive schemes offering inducement to workers to put up better individual and group performance is the primary requisite in any industry. The Committee on Public Undertakings remarked that incentive schemes should be introduced.<sup>109</sup>

The Administrative Reforms Commission in their report on public sector

<sup>103</sup>CPU V LS, 1973-74, *55th Report*, Hindustan Photo Films Manufacturing Company Limited, para 9.21.

<sup>104</sup>CPU V LS, 1975-76, *70th Report*, p. 19.

<sup>105</sup>CPU III LS, 1964-65, *11th Report*, Hindustan Steel Limited, para 41. CPU V LS, 1975-76, *80th Report*, Hindustan Antibiotics Limited, para 8.14.

<sup>106</sup>CPU V LS, 1975-76, *76th Report*, Steel Authority of India Limited, para 9.71.

<sup>107</sup>Table given in CPU V LS, 1975-76, *76th Report*, Steel Authority of India Limited, p. 225.

<sup>108</sup>CPU V LS, 1975-76, *76th Report*, Steel Authority of India Limited, para 9.67.

1. The level of automation and mechanisation is much higher in foreign steel plants;  
2. In Indian Steel Plants the manpower figures include indirect labour required for administration, township and medical services.

<sup>109</sup>CPU V LS, 1971-72, *2nd Report*, Bharat Earth Movers Limited, para 9.42; CPU V LS, 1971-72, *21st Report*, Bharat Earth Movers Limited, para 6.22.

enterprises had recommended<sup>110</sup> that public sector enterprises should take effective steps to introduce incentive schemes for their employees and relate the earnings of the workers to their productivity and performance. The government had<sup>111</sup> accepted and also communicated this recommendation to all the public sector enterprises through their administrative ministries. The government<sup>112</sup> had also directed the Bureau of Public Enterprises to undertake a study of incentive schemes in<sup>113</sup> public sector enterprises. The Bureau brought out a report on incentive schemes in public enterprises in 1974.<sup>114</sup> The study pointed out that the prevalence of incentive schemes was more in the engineering industries of public sector enterprises.

The Committee on Public Undertakings did not concentrate on this aspect while giving recommendations in their reports on public undertakings. This might be due to the study undertaken by Bureau as a result of the acceptance of the recommendations of Administrative Reforms Commission.

*Labour Welfare Schemes* : The Committee on Public Undertakings (Fifth Lok Sabha) in their 17th report on personnel policies and labour management relations in public undertakings made recommendations relating to the welfare schemes of the employees, e.g., housing, provision of adequate transport, educational and medical facilities, canteens to provide nutritious meals at reasonable cost, promotion of cooperative thrift and housing societies and holidays.

*Housing* : The need to lay down norms, standards and types for residential accommodation to be adopted by the public undertakings<sup>115</sup> were emphasised by the Committee on Public Undertakings. The government have accepted<sup>116</sup> these recommendations and suitable instructions have been issued. For this

<sup>110</sup> The Administrative Reforms Commission, Government of India (1967)—Report on Public Sector Undertakings—Recommendation No. 60.

<sup>111</sup> O.M. No. 2 (90)68-BPE (GM) dated 19.12.1968.

<sup>112</sup> Government's decision pertaining to Administrative Reforms Commission recommendation No. 134 (b).

<sup>113</sup> For the purpose of this study : Incentive schemes are deemed to mean schemes payment to the workers/employees where the amount of payment is allotted in a definite way to the individual or group output of the staff of the enterprises. Production bonus schemes which relate the level of production achieved to a definite quantum of payment by way of bonus to the workers are, therefore, considered to fall within this concept of incentive schemes. Profit sharing bonus, however, is not considered to fall within this concept of incentive schemes. Profit showing bonus is not considered to fall within this concept because it is governed by the extent of profit and is not strictly related to the output achieved by the employees. Schemes involving non-financial incentives have also been excluded.

<sup>114</sup> The study by the BPE was undertaken in 1969 and the report came out in 1974. The study pointed out that incentive schemes are in existence in 23 out of 55 public enterprises in more than one-third of the manufacturing public sector enterprises.

<sup>115</sup> CPU III LS, 1964-65, 8th Report, Township and Factory Building of Public Undertakings; CPU IV LS, 1967-68, 19th Report.

<sup>116</sup> No. 658-ADV (C) Gen. 91/71, dated 14.7.1971.

reason, when the Committee<sup>117</sup> recommended that the government should take a conscious decision about the type and percentage and phased programme of staff quarters at the time of sanctioning a project, the reply of the government<sup>118</sup> was that suitable instructions were already issued.

*Transport* : The Committee<sup>119</sup> recommended that the management of public undertakings should examine the provision of adequate transport facilities so that the workers are enabled to reach their place of work punctually and without undergoing hardship. The Committee<sup>120</sup>, further suggested that the management of public sector enterprises should also continue to strive to secure the cooperation of the State Governments and local bodies towards improvement of transport facilities for the benefit of industrial workers. The reply of the government<sup>121</sup> was that the Committee's observations were being brought to the notice of the public enterprises.

*Education* : The Committee<sup>122</sup> suggested that the management at the highest level should concern themselves with the provision of educational facilities so as to inspire confidence in the workers that their children are getting equal opportunities. Further, the Committee<sup>123</sup> recommended that the government should consider the feasibility of setting up central schools in the major areas of public enterprises. The observations of the Committee are brought to the notice of public enterprises by government for opening new *kendriya vidyalayas* at different centres.<sup>124</sup>

*Medical Facilities* : The Committee<sup>125</sup> suggested that adequate medical facilities should be provided<sup>126</sup> by the undertakings to the industrial workers and their families. The reply of the government<sup>127</sup> was that this suggestion was brought to the notice of the public enterprises.

The Committee<sup>128</sup> suggested that all public undertakings should maintain close liaison with both the Union Ministry of Health and Family Planning and State Family Planning authorities for taking measures for intensification of family planning. The reply of the government<sup>129</sup> was that suitable instructions were being issued to all undertakings.

<sup>117</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 11.11.

<sup>118</sup>CPU V LS, 1972-73, *30th Report*, p. 37.

<sup>119</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 11.15.

<sup>120</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 11.16.

<sup>121</sup>O.M. No. 9 (100)/71-BPE (GM-I) dt. 16.12.1972.

<sup>122</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 11.18.

<sup>123</sup>*Ibid.*, para 11.20.

<sup>124</sup>BPE O.M. No. 9 (100)/71-GM-I, dt. 16.12.72.

<sup>125</sup>O.M. No. 9 (100)/71-BPE (GM-I), dt. 16.12.72.

CPU V LS, 1972-73, *30th Report*, pp. 40-41.

<sup>126</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 11.22.

<sup>127</sup>CPU V LS, 1972-73, *30th Report*, p. 42.

BPE O.M. No. 9 (100)/71-BPE (GM-I) dt. 16.12.72.

<sup>128</sup>CPU V LS, 1971-72, *17th Report*, *op. cit.*, para 11.24.

<sup>129</sup>CPU V LS, 1972-73, *30th Report*, p. 43.

O.M. No. 9 (100)/71-BPE (GM-I), dt. 25.10.1972.

*Staff Benefit Fund* : The Committee<sup>130</sup> recommended that staff benefit fund be introduced in each public undertaking and the purpose of such a scheme may be broadly to give: (1) monetary assistance at the time of prolonged sickness of the employee when he is not getting adequate leave salary to support his/her family, (2) relief to employees in acute distress, (3) money to meet emergent expenditure connected with funeral of the employees. The reply of the government<sup>131</sup> was that the public enterprises were being advised to consider the question of introducing the staff benefit fund scheme.

*Canteen Facilities* : The Committee<sup>132</sup> suggested rent free accommodation and supply of power and water at concessional rates for canteen facilities. The Committee<sup>133</sup> further suggested the formation of cooperative credit societies.

The Committee<sup>134</sup> suggested that public undertakings should provide all possible facilities to the workers to spend their holidays at nearby hill stations, sea shores or at places of historical interest. The reply of the Government<sup>135</sup> has been that these observations are brought to the notice of the public undertakings for their consideration.

#### CONCLUSIONS

In this paper, the observations/recommendations of the Committee on Public Undertakings pertaining to personnel department, personnel policies and labour management relations are analysed. Recommendations on absenteeism, overtime, incentive scheme, productivity and welfare schemes which are grouped under 'other aspects' are also analysed.

The main emphasis of the Committee on the personnel departments of public undertakings was that the departments should be well equipped with persons who have specialised knowledge in the field of labour and should be in a position to implement the labour laws of the country and set an example as model employer.

Regarding the 'personnel policies' the Committee covered policies on such matters as manpower requirements, recruitment, and promotion. The main thrust has been on the problem of overstaffing in the public undertakings. The Committee, right from its inception, pointed out the reasons for overstaffing and mainly recommended scientific studies to determine the extent of overstaffing and taking steps for absorbing the surplus manpower in the expansion programmes of the undertakings, eliminating superfluous

<sup>130</sup>CPU V LS, 1971-72, *17th Report, op. cit.*, para 11.26.

<sup>131</sup>O.M. No. 9 (100)/71-BPE (GMI) dt. 16.12.1972.

CPU V LS, 1972-73, *30th Report*, p. 43.

<sup>132</sup>CPU V LS, 1971-72, *17th Report, op. cit.*, para 11.29.

<sup>133</sup>*Ibid.*, para 11.32.

<sup>134</sup>CPU V LS, 1971-72, *17th Report, op. cit.*, para 11.36.

<sup>135</sup>CPU V LS, 1972-73, *30th Report*, pp. 40-45.

posts, fixing norms for supervisors, workers ratio, compensation and benefit to workers who retire voluntarily and adhering to the indications of the staff in the details project report as the maximum. The Committee, in its reports on public undertakings, has consistently stressed the need for entrusting the work of scientific study to independent specialist bodies, other than the industrial engineering departments of the concerned public undertakings. But the government's reply is in the nature of preferring the departments of the undertakings to outside agencies. Regarding the recruitment and promotion policies, the Committee's emphasis has been on 'model rules' and a system of 'follow-up'. On the aspect of 'training' the Committee focussed on the need for refresher courses and the need for intensified and specialised training schemes with a view to achieving 'cent per cent' Indianisation of technical personnel.

The aspects covered under labour-management relations are labour unions, grievance machinery and workers' participation in management. Regarding labour unions, the Committee agreed with the view of the National Labour Commission for the recognition of the unions. The Committee's recommendations regarding the grievance machinery have been mainly on giving statutory shape and character to the model grievance procedure. Workers' participation in management is considered very essential by the Committee and it has recommended the need for constituting joint management councils at all levels.

The Committee has recommended that effective steps should be taken to reduce the incidence of absenteeism. The Committee has stressed the need for control on the payment of overtime allowances. The Committee has recommended that incentive schemes should be introduced and suggested that public undertakings should make a critical study of the reasons for the decline in productivity and take concerted measures to bring it up to the optimum level.

Regarding labour welfare schemes the Committee's recommendations relate to housing, provision of adequate transport, education and medical facilities, canteen and promotion of cooperative thrift and housing societies. The government reply on the above aspects is that the recommendations have been brought to the notice of the undertakings through their administrative ministries. Insofar as the suggestions of the Committee regarding training, 'absenteeism', and labour welfare schemes are concerned, they are of a routine and non-policy type, more in the nature of suggestions for toning up the efficiency of the organisation.

It may be pointed out here that the Committee had little new or original to contribute in this area of personnel policies and labour management relations in public undertakings in the sense that these recommendations had either already been thrashed out by the experts in the field, the five year plans and by the Administrative Reforms Commission, and the National Labour Commission or were being generally followed in practice as a matter of general policy of the government. However, insofar as the impact of the

recommendations of the Committee is concerned, it is in the nature of reminding the public undertakings to follow the policies and making the government bring the policies into limelight and effect necessary changes to suit the needs of the undertakings which have to stand as 'model employer'.

□

### Social Labour

The concept of social labor can be analyzed in terms of three different types of rules: rules of instrumental, strategic, and communicative action. We commonly illustrate the meaning of labor by referring to the activity of artisans or craftsmen; decisive in this case is the aspect of the purposive or goal-directed transformation of material in accordance with rules of instrumental action. Marx understands by labor not only the instrumental actions of a single individual but also the cooperation of several individuals. The instrumental actions of individuals are socially coordinated with a view toward a certain production goal; thus, the rules of strategic action that guide this cooperation are an essential element of the labor process. It goes without saying, moreover, that the means of subsistence are produced only in order to be used. Just like labor itself, the distribution of its products is socially organized. The rules of distribution have a distinct structure, for what is at issue here is not the transformation of material nor the goal-directed organisation of means, but rather the reciprocal linkage of behavioral expectations or interests. The distribution of products requires inter-subjectively recognized norms, that is, rules of communicative action.

—From *Contract to Community*,  
—Ed. by FRED R. DALLMAYR, 1978

## The Nigerian Constitution and the Independence of the Judiciary

Adeoye Akinsanya

FOR SOME time to come, scholars would comment on various aspects of the 1979 Nigerian constitution, which, on the *surface*, seems to have been modelled on the United States constitution. First, unlike the Nigerian President under the 1963 Republican constitution,<sup>1</sup> the Nigerian President under the present constitution,<sup>2</sup> like his American opposite-number, is "the Head of State, the Chief Executive of the Federation<sup>3</sup> and Commander-in-Chief of the Armed Forces of the Federation". Second, the present constitution, like the United States constitution, provides for a bi-cameral legislature, a Senate and a House of Representatives; while each state is equally represented in the Senate, and election is direct, representation of each state in the House of Representatives is based on population.<sup>4</sup> Fundamental differences exist between the Nigerian and American constitutions. In the first place, while the Vice-President of the United States is the President of the Senate, the Nigerian constitution provides that "there shall be—(a) a President and a Deputy President of the Senate, who shall be elected by members of that House from among themselves..."<sup>5</sup> Second, unlike what obtains in the United States where the Vice-President is a stand-by plant, indeed, an errand-boy of the President, the Nigerian Vice-President has specific responsibilities allocated to his office under the constitution : he is the

<sup>1</sup>A. Akinsanya, "The Office of the Nigerian President : The Experience of the 1964-65 Constitutional Crises", *West African Journal of Sociology and Political Science* (forthcoming).

<sup>2</sup>Constitution of the Federal Republic of Nigeria, 1979, enacted as Decree No. 25—Constitution of the Federal Republic of Nigeria (Enactment) Decree 1978. Federal Republic of Nigeria, *Official Gazette*, Vol. 65, No. 43, September 30, 1978, Lagos, Federal Ministry of Information, 1978.

<sup>3</sup>Sec. 122(2) of the constitution.

<sup>4</sup>Secs. 44 and 45 of the constitution.

<sup>5</sup>Sec. 46(1)(a) of the constitution.

Deputy Chairman of the Council of State,<sup>6</sup> National Defence Council,<sup>7</sup> and the National Security Council,<sup>8</sup> and the Chairman of the National Economic Council.<sup>9</sup> However, the Vice-President of the United States or Nigeria has the potential of becoming the President if the office of the President becomes vacant by reason of death (or assassination), resignation or removal (for 'gross misconduct'). So much for the similarities and differences between the United States and Nigerian constitutions. Our main concern in this paper is to take a look at constitutional provisions relating to the independence of the judiciary.

#### INDEPENDENCE OF JUDICIARY

Undoubtedly, the independence of the judiciary is a *sine qua non* to public confidence in the administration of justice. Indeed, an independent judiciary is the only guarantee against an arbitrary and despotic government. Unless judges are free to reach their decisions without 'fear or favour', indeed, unless judges are free to reach their decisions without undue influence from the executive and legislative branches of government, constitutional guarantees wither and die, and justice fades away, and fast too.

When we read the provisions of the Nigerian constitution relating to the removal of judges, we cannot but come to the inescapable conclusion that unless section 256 of the constitution is amended or otherwise

<sup>6</sup>According to the constitution, the Council of State "shall have power: (a) to advise the President in the exercise of his powers with respect to the national population census and compilation, publication and keeping of records and other information concerning the same, prerogative of mercy, award of national honours, the federal electoral commission (including the appointment of members of that commission), the Federal Judicial Service Commission (including the appointment of members other than *ex officio* members of that Commission) and the National Population Commission (including the appointment of members of that Commission), and (b) to advise the President whenever requested to do so on the maintenance of public order within the federation or any part thereof and on such other matters as the President may direct." For the composition, see third schedule, part I of the constitution of the Federal Republic of Nigeria.

<sup>7</sup>The National Defence Council, according to the constitution, "shall have power to advise the President on matters relating to the defence of the sovereignty and territorial integrity of Nigeria." For the composition, see third schedule, part I of the constitution of the Federal Republic of Nigeria.

<sup>8</sup>The National Security Council, according to the constitution "shall have power to advise the President on matters relating to public security including matters relating to any organisation or agency established by law for ensuring the security of the Federation." For the composition, see third schedule, part I of the constitution of the Federal Republic of Nigeria.

<sup>9</sup>The National Economic Council, according to the constitution, "shall have power to advise the President concerning the economic affairs of the federation, and in particular on measures necessary for the coordination of the economic planning efforts or economic programmes of the various Governments of the Federation." For the composition, see third schedule, part I of the constitution of the Federal Republic of Nigeria.

repealed, the independence of the Nigerian judiciary is in grave danger, notwithstanding the number of justices, Onyeama, Taylor, Oyemade, Aguda, Esho and Adefila that may be appointed to the bench.

In general, there are two methods of removing judges from office in Nigeria. These methods, it must be emphasised, depend on the particular judicial office involved. First, certain categories of judges can be removed before retirement age<sup>10</sup> by the chief executive (President of the Federation or State Governor) acting on an address from the legislature. Section 256(1) (a) of the constitution has this much to say:

A judicial officer shall not be removed from his office or appointment before his age of retirement except in the following circumstances:

(a) in the case of—

- (i) Chief Justice of Nigeria, by the President acting on an address supported by two-thirds majority of the Senate,
- (ii) Chief Judge of the High Court of a State, Grand Kadi of a Sharia Court of Appeal or President of a Customary Court of Appeal of a State, by the Governor acting on an address supported by two-thirds majority of the House of Assembly of the State,

praying that he be so removed for his inability to discharge the functions of his office or appointment (whether arising from infirmity of mind or body) or for misconduct or contravention of the Code of Conduct.

Those who are very much concerned about the security of tenure of judges, and these include many judges, do not seem to quarrel with the first method of removal. It is basic then that it is the second method of removal that every one seems to kick against. Section 256(1)(b) of the constitution has provided that judges other than those set forth in Section 256(1)(a) shall be removed by the

President or, as the case may be, the Governor acting on the recommendation of the Federal Judicial Service Commission or the State Judicial Service Commission.

In essence, the power to remove all federal judges other than the Chief Justice of Nigeria is vested in the Federal Judicial Service Commission while the power to remove all state judges other than the Chief Judge, the Grand

<sup>10</sup>Section 255(1) of the constitution provides that "a judicial officer may retire when he attains the age of 60 years, and he shall cease to hold office when he attains the age of 65 years."

Kadi and the President of the Customary Court of Appeal is vested in the State Judicial Service Commission.

Those who felt that the security of tenure and the independence of the judiciary will be secured by placing the power of removal of judges in the Judicial Service Commission (JSC) which was provided in the Nigerian constitution (Order-in-Council) 1960 but scrapped under the constitution of the Federal Republic of Nigeria 1963 would now ask themselves if the security of tenure and the independence of the judiciary can be secured by placing the power of removal in the JSC as provided in section 256(1)(b) of the constitution of the Federal Republic of Nigeria 1979. Put differently, would the security of tenure and the independence of the judiciary be secured by expunging or repealing Section 256(1)(b) from the constitution, and providing that all judges be so removed by the chief executive acting on an address from the legislature ?

To answer this question, and adequately too, it is necessary to examine the provisions of the constitution relating to:

1. The composition and identity of each Judicial Service Commission; and,
2. The proceedings of each Judicial Service Commission with respect to removal of judges.

Part I, section 7 of the third schedule of the constitution provides that the Federal Judicial Service Commission shall consist of *seven* members:

1. Chief Justice of Nigeria as chairman;
2. President of the Federal Court of Appeal;
3. Attorney General of the Federation;
4. Two legal practitioners nominated by the Nigerian Bar Association of at least 15 years' standing; and
5. Two other persons, not being legal practitioners, who in the opinion of the President are of unquestionable integrity.

Let us, for the moment, assume that all the members of the Federal Judicial Service Commission meet to exercise their power of recommending the removal of

- (a) Justices of the Supreme Court;
- (b) President of the Federal Court of Appeal;
- (c) Justices of the Federal Court of Appeal; and
- (d) Chief Judge and judges of the Federal High Court.

The votes of *four* members of the Commission are adequate to cause the removal of *all* federal judges other than the Chief Justice of Nigeria. The

number may *even* be less if recourse is had to section 146(1) of the constitution which provides that a quorum for the Commission shall not be less than one-third of the total number of members, *i.e.*, seven members. In essence, the votes of *two* members of the Federal Judicial Service Commission are *sufficient* to cause the removal of *all* federal judges other than the Chief Justice of Nigeria since *three* members would constitute a quorum for the Commission, and *two* members constitute a majority as provided under section 146(2) of the constitution.

Now a word on the constitutional provisions relating to the State Judicial Service Commission. Part II, section 8 of the third schedule of the constitution provides that the Commission shall consist of *six* members in a state having a Sharia Court of Appeal and a Customary Court of Appeal or *four* members in a state having neither a Sharia Court of Appeal nor a Customary Court of Appeal or *five* members in a state having either a Sharia Court of Appeal or a Customary Court of Appeal:

1. Chief Judge of the High Court of the state as chairman;
2. Attorney General of the state;
3. Grand Kadi of the Sharia Court of Appeal of the state, if any;
4. President of the Customary Court of Appeal of the state, if any;
5. One legal practitioner of at least 10 years' standing; and
6. One other person not being a legal practitioner who in the opinion of the Governor is of unquestionable integrity.

Again, let us, for the moment, assume that the members of the Commission meet to exercise their powers of recommending the removal of :

- (a) Judges of the High Court of the state;
- (b) Kadis of the Sharia Court of Appeal of the state, if any; and
- (c) Judges of the Customary Court of Appeal of the state, if any.

The votes of *four* members in a six-member Commission are sufficient to cause the removal of all State judges other than :

1. The Chief Judge of the High Court of the state;
2. The Grand Kadi of the Sharia Court of Appeal of the state, if any; and
3. The President of the Customary Court of Appeal of the state, if any.

Although no quorum requirements are specified in the constitution for the State Judicial Service Commission, and this is a grave omission on the part of the authors or drafters of the constitution, it is expected or assumed that the State Judicial Service Commission will establish such quorum requirements as are specified for the Federal Judicial Service Commission under

section 146(1) of the constitution. Thus, it is possible to cause or effect the removal of all state judges other than those specified in section 256(1)(a) of the constitution by the votes of *two* members of the Commission.

In essence, whether at the federal or state level, the power of removing most judges is vested in an extremely small number of people. In addition to the identity of the members of the Commission, the very small size of the Commission cannot ensure the security of tenure and independence of the judiciary. This is because, while it is difficult, if not impossible, to manipulate a large Commission, it is relatively easy for the chief executive or a small group of small-minded legislators to cause the removal of any judge by the simple expedient of swaying two or three members of the Commission. More fundamental, a judge is on the way to losing his job if he renders an 'unpopular' decision or if his views are much at variance with the views of a few members of the Commission.

A word about the identity of the members of the Judicial Service Commission. As indicated above, part I, section 7 and part II, section 8 of the third schedule of the constitution set forth the identity of the members of the Commission at the federal or state level. With respect to the Federal Judicial Service Commission, section 7(a), part I of the third schedule of the constitution states that the Chief Justice of Nigeria shall be the chairman of the Commission. Since the Federal Judicial Service Commission is vested with the power to recommend the removal of the justices of the Supreme Court, the justices of the Supreme Court may not be in a strong position; indeed, they may not have the strength and the conviction to express views different from those of the Chief Justice, particularly in controversial and contentious cases. Thus, the influence of the Chief Justice on the justices of the Supreme Court would be indirect and subtle. Indeed, since the justices know that the Chief Justice is the chairman of the Commission that could cause their removal from office, it is fair to say that the Chief Justice will exercise undue influence over his colleagues on the Supreme Court.

Section 7(b), part I of the third schedule of the constitution also states that the President of the Federal Court of Appeal shall be a member of the Federal Judicial Service Commission. Because the Federal Judicial Service Commission is vested with the power to recommend the removal of justices of the Federal Court of Appeal, it is in order to say that the influence of the President of the Federal Court of Appeal on the justices of the Federal Court of Appeal, like the influence of the Chief Justice on the justices of the Supreme Court, would be indirect and subtle. Much more important, the problem is compounded by the fact that the Commission, under section 256(1)(b) of the constitution, also has the power to recommend the removal of the president of the Federal Court of Appeal from office. In essence, a member of the Federal Judicial Service Commission is also involved in causing his own removal from office! What are the implications

of this constitutional provision? In the first place, if the President of the Federal Court of Appeal is friendly with the other members of the seven-member Commission, he is most likely to remain in office until his age of retirement.<sup>11</sup> Second, and this is very significant, if he is unfriendly with the other members of the Commission, and his opinions are very much at variance with those of his colleagues on the Commission, he could be recommended for removal simply on grounds of 'misconduct,' given the very subjective nature of any determination of the meaning of such a broad and open-ended term. In either case, the independence of the judiciary can hardly be said to be served or ensured.

When we take a look at what obtains at the state level, the same view expressed about undue influence being exercised by the Chief Justice or the President of the Federal Court of Appeal over his colleagues on the Supreme Court or the Federal Court of Appeal, *mutatis mutandis*, applies to the Chief Judge of the High Court of a state, the Grand Kadi of a Sharia Court of Appeal or the President of a Customary Court of Appeal. Put differently, because the Chief Judge of the High Court of a state, the Grand Kadi of the Sharia Court of Appeal of the state and the President of the Customary Court of Appeal of the state are members of the state Judicial Service Commission vested, under the constitution, with the powers of recommending the removal of: (a) judges of the High Court of the state; (b) Kadis of the Sharia Court of Appeal of the State, if any; and (c) judges of the Customary Court of Appeal of the state, if any, their influence on the opinions of (a), (b), and (c) would be indirect and subtle.

#### SEPARATION OF POWERS

The constitution recognises three main branches of the general powers of government. First, we have legislative powers which the constitution vests in the National Assembly or the state House of Assembly.<sup>12</sup> Second, we have executive powers which are vested in the President of the Federation or the Governor of the state<sup>13</sup> while judicial powers are vested in the courts established at the federal or state levels.<sup>14</sup> As a guarantee against despotic rule, and a safeguard for the fundamental human rights of the individual, it is generally agreed that legislative, executive and judicial powers should be exercised by different personnel. The expectation is that appropriate powers will be exercised by an appropriate branch of government with as little interference as is possible from other branches of government. According

<sup>11</sup>Sec. 255(1) of the constitution.

<sup>12</sup>Secs. 4(1) and 4(6) of the constitution.

<sup>13</sup>Secs. 5(1)(a) and 5(2)(a) of the constitution.

<sup>14</sup>Secs. 6(1) and 6(2) of the constitution.

to the great French philosopher, Montesquieu, in *The Spirit of the Laws*<sup>15</sup>:

In every government there are three sorts of power : the legislative; the executive in respect to things dependent on the law of nations; and the executive in regard to matters that depend on the civil law. By virtue of the first, the prince or magistrate enacts temporary or perpetual laws, and amends or abrogates those that have been already enacted. By the second, he makes peace or war, sends or receives embassies, establishes the public security, and provides against invasions. By the third, he punishes criminals, or determines the disputes that arise between individuals. The latter we shall call the judiciary power, and the other simply the executive power of the State.<sup>16</sup>

He continued, and this is very significant:

The political liberty of the subject is a tranquillity of mind arising from the opinion each person has of his safety. In order to have his liberty, it is requisite the government be so constituted as one man need not be afraid of another. When the legislative and executive powers are united in the same person, or in the same body of magistrates, there can be no liberty; because apprehensions may arise, lest the same monarch or senate should enact tyrannical laws, to execute them in a tyrannical manner. Again, there is no liberty, if the judiciary power be not separated from the legislative and executive. Were it joined with the legislative, the life and liberty of the subject would be exposed to arbitrary control; for the judge would be then the legislature. Were it joined to the executive power, the judge might behave with violence and oppression.<sup>17</sup>

In essence, therefore:

There would be an end to everything, were the same man or the same body, whether of the nobles or of the people, to exercise those three powers, that of enacting laws, that of executing the public resolutions, and of trying the causes of individuals.<sup>18</sup>

Therein lies the doctrine of principle of separation of powers, enunciated by Montesquieu, modified by the English and accepted by the 'founding fathers' of the United States constitution.

<sup>15</sup>Baron De Montesquieu, *The Spirit of the Laws*. Translated by T. Nugent. With an Introduction by F. Neumann, New York, Hafner Publishing Company, 1949, pp. 149-182.

<sup>16</sup>*Ibid.*, p. 151.

<sup>17</sup>*Ibid.*, p. 151-2.

<sup>18</sup>*Ibid.*, p. 152.

As we noted above, an independent judiciary is not the only guarantee against arbitrariness and despotism; it is also the only safeguards for fundamental civil liberties of the individual. It is basic from the principle enunciated by Montesquieu, and advocated by James Madison and the authors of *The Federalist Papers* that the independence of the judiciary requires a strict separation of judges from the executive branch, particularly the office of public prosecutor. To be sure, if judges and prosecutors are members of the same branch of government indeed, as Montesquieu rightly noted, were the "judiciary power...joined to the executive power, the judge might behave with violence and oppression." Fortunately, the Nigerian constitution under review avoids this by requiring separation of personnel in the three branches of government. However, when we take a look at the composition of the Federal and State Judicial Service Commissions as provided under part I, section 7 and part II, section 8 of the third schedule of the constitution, one is inclined to agree with the view that 'judges' and 'prosecutors' are not, after all, separated from each other.

At the federal level, section 7(c), part I of the third schedule of the constitution states that the Attorney General of the Federation shall be a member of the Federal Judicial Service Commission which is vested with the powers of recommending the removal of *all* federal judges other than the Chief Justice of Nigeria. According to section 160(1) of the constitution, the Attorney General of the Federation shall have power :

- (a) to institute and undertake criminal proceedings against any person before any court of law in Nigeria, other than a court martial, in respect of any offense created by or under any Act of the National Assembly;
- (b) to take over and continue any such criminal proceedings that may have been instituted by any other authority or person; and
- (c) to discontinue at any stage before judgment is delivered any such criminal proceedings instituted or undertaken by him or any other authority or person.

In short, the Attorney-General of the Federation is the chief prosecutor of the Federation; he can enter a *nolle prosequi* in "any criminal proceedings instituted or undertaken by him or any other authority or person," although in exercising these powers, section 160(3) of the constitution enjoins him to have "regard to the public interest, the interests of justice and the need to prevent abuse of legal process." However, section 138(1) explicitly provides that the Attorney General of the Federation 'shall be a Minister of the Government of the Federation,' namely, that he 'shall be' a member of the executive branch of government.

In essence, the minister responsible for instituting "criminal proceedings against any person before any court of law in Nigeria...in respect of

any offence created by or under any Act of the National Assembly" is also a member of the Federal Judicial Service Commission. Indeed, the same legal practitioner whose department argues cases before federal judges on behalf of the executive branch, to be sure, the same lawyer who may argue cases before federal judges on behalf of the executive branch, also participates in the decisions leading to their removal from office. Since the Attorney-General of the Federation shares in the power to remove federal judges before whom his cases are brought and argued, it is fair to contend that a judge, in all probability, will be unduly influenced in a particular case if he knows and when it is remembered that the lawyer arguing one side of the case before him shares in the power to remove him from office. While it is not being suggested here that undue influence would be exercised on the judiciary by any member of the executive branch, it could happen; whatever undue influence that is being exerted would, more often than not, depend on the integrity of the people concerned.

In any event, by making the Attorney-General of the Federation a member of the Federal Judicial Service Commission, the 'founding fathers' of the Nigerian constitution gave, albeit unwittingly, the President of Nigeria a direct voice, and an indirect power in the removal of all federal judges other than the Chief Justice of Nigeria. This is because section 138(1) of the constitution explicitly states that the Attorney-General of the Federation 'shall be a Minister of the Government of the Federation,' namely, that he 'shall be' a member of the executive branch of government. Because the 'executive powers of the Federation' are 'vested in the President, and may...be exercised by him directly or through the Vice-President and Ministers of the Government of the Federation....'<sup>19</sup> the Attorney-General acts, like other ministers, and when he does act, in accordance with the President's general instructions. The ministers are the personal appointees of the President. The President does not occupy the same position as the British prime minister who is *primus inter pares* (first among equals) although some twentieth century British prime ministers, in their relationship with their cabinet colleagues, behave as if they occupy similar position as the United States President. The Nigerian President, like his United State's opposite number, 'hires' and 'fires' his ministers. More fundamental, and as a practical matter, the Attorney-General is likely to be one of the President's closest friends and advisors.<sup>20</sup> Indeed, it is preposterous to think and believe, that the Attorney-General would not be influenced by the President's views in an issue as important and sensitive as the removal of a

<sup>19</sup>Sec. 5(1)(a) of the constitution.

<sup>20</sup>At the time of writing this paper, the Attorney-General of the Federation and the Federal Minister of Justice, Chief Richards O Akinjide (SAN), represented Alhaji Shehu Shagari before the Presidential Election Tribunal and the Supreme Court in *Chief Obafemi Awolowo v. Alhaji Shehu Shagari and Orts.* He is also the legal adviser to the National party of Nigeria (NPN).

federal judge. We hold this view without prejudice to section 145(1) of the constitution stating that

in exercising its power to make appointments or to exercise disciplinary control over persons...the Federal Judicial Service Commission.... shall not be subject to the direction or control of any other authority or person.

Because the President reserves the right to 'hire,' 'fire', and indeed discipline his ministers, the possibility of exerting influence on the Attorney-General in the direction he wants is very clear.

The view expressed about the presidential influence on the Federal Judicial Service Commission is equally true about gubernatorial influence on the state Judicial Service Commission notwithstanding pious declarations of non-interference in the judiciary by some state chief executives.<sup>21</sup> Section 8(b), part II of the third schedule of the constitution states that the Attorney-General of the state shall be a member of the state Judicial Service Commission which is vested with the powers of recommending the removal of:

- (a) Judges of the High Court of the state;
- (b) Kadis of the Sharia Court of Appeal of the state, if any; and
- (c) Judges of the Customary Court of Appeal of the state, if any.

According to section 191(1) of the constitution, the Attorney-General of a state shall have power :

- (a) to institute and undertake criminal proceedings against any person before any court of law in Nigeria other than a court martial in respect of any offence created by or under any Law of the House of Assembly;
- (b) to take over any such criminal proceedings that may have been instituted by him or any other authority or person; and
- (c) to discontinue at any stage before judgment is delivered any such criminal proceedings instituted or undertaken by him or any other authority or person.

Simply put, a state's Attorney-General is the chief prosecutor; he can enter a *nolle prosequi* in "any criminal proceedings instituted or undertaken by him or any other authority or person," although in exercising these powers,

<sup>21</sup>See "Jakande Is Angry... Supports Constitutional Provisions for the Bench but Raps Indolent Judges," *Nigerian Tribune*, Ibadan, September 25, 1980, p. 16; "Courts Must Be Independent", *Daily Sketch*, Ibadan, September 23, 1980, p. 16; "We Won't Interfere with the Judiciary," *Sunday Sketch*, Ibadan, September 14, 1980, p. 5.

section 191(3) of the constitution enjoins him to have regard to the public interest, the interests of justice and the need to prevent abuse of legal process.” However, section 176(1) of the constitution explicitly states the Attorney-General of a state “shall be a Commissioner of the Government of that State,” namely, that he ‘shall be’ a member of the executive branch of government.

Essentially, the Commissioner responsible for instituting “criminal proceedings against any person...in respect of any offence created by or under any law of the House of Assembly,” is also a member of the state Judicial Service Commission. Indeed, the same legal practitioner whose department argues cases before judges of the High Court of the state, Kadis of the Sharia Court of Appeal of the state, if any; and judges of the Customary Court of Appeal of the state, if any; put differently, the same lawyer who may argue cases before these categories of judges on behalf of the executive branch participates or shares in the decisions leading to their removal from office ! Because a state’s Attorney-General shares in the power to remove those judges before whom his cases are brought and argued, is it not fair to claim that a judge, in all probability, is unlikely to render an unfavourable decision if he knows and when it is remembered that the lawyer arguing one side of the case before him shares in the power to cause his removal from him ? Thus, by making a state’s Attorney-General a member of the state Judicial Service Commission, the ‘founding fathers’ of the Nigerian constitution give, albeit unwittingly, a state’s Governor a direct voice and indirect power in the removal of all State judges other than : (a) the Chief Judge of the High Court of the state; (b) the Grand Kadi of the Sharia Court of Appeal of the state, if any; and (c) the President of the Customary Court of appeal, if any. This is because section 176(1) of the constitution explicitly states that “there shall be an Attorney-General for each State,” namely, that he ‘shall be’ a member of the executive branch of government. Because section 5(2)(a) of the constitution provides that “the executive powers of a State are vested in the Governor of that state and may...be exercised by him either directly or through the Deputy Governor and Commissioners of the Government of that state . . . ,” a State’s Attorney-General acts, like other Commissioners, and when he acts, in accordance with the general directives of the Governor. Thus, a State’s Governor ‘fires’ and ‘hires’ his Commissioners. More significant, and as a practical matter, a state’s Attorney-General, more often than not, is one of the Governor’s closest friends and advisers. What we have been saying is that it is absurd to *think and believe* that the Attorney-General would not be influenced by the Governor’s views in an issue as important and sensitive as the removal of a state judge. This view is held without prejudice to section 183 of the constitution stating that :

In exercising its powers to make appointments or to exercise disciplinary

control over persons...the State Judicial Service Commission shall not be subject to the direction and control of any other authority or person.

To sum up, because a state's Governor reserves the right to 'hire,' 'fire,' to be sure, to discipline his Commissioners, the possibility of exercising influence on the Attorney-General in the direction he wants cannot be said to be over-emphasised.

Again, when we examine the procedure for removing judges by the Federal and states' Judicial Service Commissions, it is fair to say that the outlook is not too good; in fact, it portends a bad omen. This is because sections 147(1) and 185(1) of the constitution provide that the federal Judicial Service Commission, subject to the approval of the President, and a state's Judicial Service Commission, subject to the approval of the Governor, "may...by rules or otherwise regulate its own procedure..." Thus, in exercising its powers of removal, the federal or a state's Judicial Service Commission may very well decide to meet in camera. Yet, in sensitive proceedings, such as the removal of a judge, on grounds of 'misconduct' (whatever that meant), it is basic that the only way to prevent injustice or miscarriage of justice is to have removal or impeachment proceedings held in the open.

#### POWER OF REMOVAL WITH THE LEGISLATURES

Since it has been asserted that the independence of the judiciary is in grave danger because of the size of the federal or a state's Judicial Service Commission, the identity of its members and the nature of impeachment proceedings, could it then be claimed that the security of tenure, indeed, that the independence of the judiciary would be better guaranteed if the power of removing a judge is vested in the appropriate legislative body ? We would want to believe that the independence of the judiciary would be more enhanced, indeed, ensured if the power 'to exercise disciplinary control' over judges is vested in the appropriate legislative body rather than the federal or a state's Judicial Service Commission.

In the first place, the problems associated with the identity of the members of the Judicial Service Commissions at the federal and state levels would be eliminated. At the federal level, the Chief Justice of Nigeria would have no power to cause the removal of his colleagues on the Supreme Court bench; the President of the Federal Court of Appeal would not be a member of the very body that has power to effect his removal from office. The Chief Justice and the President of the Federal Court of Appeal would have no power to cause the removal of :

1. Justices of the Supreme Court;

2. Justices of the Federal Court of Appeal; and
3. Chief Judge and Judges of the Federal High Court.

Again, the Attorney-General of the federation would have no power to remove the very judges (except the Chief Justice) before whom he argues his case. More important, the President of the federation would not have a direct voice and an indirect power in the removal of all federal judges other than the Chief Justice of Nigeria, simply because his Attorney-General is a member of a body that exercises 'disciplinary control' over these judges. At the state level, the Chief Judge of the High Court would have no power to cause the removal of other judges of the High Court; the Grand Kadi would not have any power to cause the removal of his colleagues on the Sharia Court of Appeal, if any; and the President of the Customary Court of Appeal would not have any power to effect the removal of his colleagues on the Appeals Court, if any. Again, a state's Attorney-General would have no power to remove the very judges (except the Chief Judge) before whom he argues his case. Above all, a state's Governor would not have a direct voice and an indirect power in the removal of all state's judges other than the Chief Judge, simply because his Attorney-General is a member of a body that exercises 'disciplinary control' over these judges. In effect, were the power of exercising 'disciplinary control' over judges vested in the appropriate legislative body, it is obvious that those exercising the powers of removal would not ordinarily come into contact with those who are to punish criminals or resolve disputes between individuals, as well as disputes between the State and the individual. In essence, legislators are unlikely and would have little or no opportunity to influence judges' decisions. This is unlike the present situation where those exercising 'disciplinary control' over judges sit on the same court with the judges or argue cases before them.

Second, the problem relating to the very small size of the Judicial Service Commission in causing the removal of a judge is also eliminated if the power of removal were vested in the appropriate legislative body. Thus, were the provision of section 256(1)(a) of the constitution applied equally to all judges, then a federal judge could only be removed by two-thirds majority of the Senate, while a state judge could only be removed by two-thirds majority of the state's House of Assembly although there is a grave problem of what constitutes two-thirds of ninety-five Senators or two-thirds majority of the State's House of Assembly.<sup>22</sup> Because it would be

<sup>22</sup>Ordinarily, two-thirds of ninety-five Senators, would, and should be sixty-four Senators. But the Supreme Court in the controversial case, *Chief Obafemi Awolowo v. Alhaji Shehu Shagari and Orts*, could not resolve the issue of what constitutes two-thirds of nineteen states of the federation. Hopefully, the problem of what constitutes two-thirds of the Senate would be resolved when and if the Federal Capital Territory moves from Lagos to Abuja, and a Senator is elected from that Senatorial district. Sec. 264(a) of the constitution.

difficult, if not impossible, for a small group of member of the legislative or executive branches of government to effect the removal of judges from office a judge would be secure in his position even if he renders an 'unpopular' decision; indeed, even if his opinions become distasteful to a handful of legislators and members of the executive branch.

Third, with respect to the impeachment proceedings, certain provisions of the constitution are germane. These are sections 56, 57, 95 and 96. While section 56 or section 95 provides that the National Assembly (the Senate and the House of Representatives) or a state's House of Assembly "shall have power to regulate its own procedure," section 57 or section 96 provides that the legislative body "may act notwithstanding any vacancy in its membership, and the presence or participation of any person not entitled to be present at or to participate in the proceedings of the House shall not invalidate those proceedings." In any event, proceedings of the legislative branch of government have always been held in the open unless they involve national security matters. Thus, if the power of exercising 'disciplinary control' over all judges were vested in the appropriate body as it is provided under section 25(1)(a) of the constitution in respect of: (1) the Chief Justice of Nigeria; and (2) the Chief Judge, Grand Kadi of a Sharia Court of Appeal or President of a Customary Court of Appeal of a state, it is basic that the impeachment (removal) proceedings would not only be held in the open; they would be given full blown publicity. As we noted above, it is precisely the glare of the public spotlight that can prevent miscarriage of justice.

#### APPOINTMENT OF JUDGES

But just how are judges appointed ? When we examine the process of appointing some judges under the Nigerian constitution, we soon discover that the problems associated with the power of removal apply, *mutatis mutandis*, to the powers of appointment. At the federal level, the constitution provides that the Chief Justice of Nigeria shall be appointed by the President, subject to Senate confirmation by a simple majority.<sup>23</sup> However, the constitution provides that while the justices of the Supreme Court and the President of the Federal Court of Appeal shall be appointed by the President on the advice of the Federal Judicial Service Commission subject only to Senate confirmation by a simple majority,<sup>24</sup> sections 218(2) and 229(1) of the constitution provide :

1. That the justices of the Federal Court of Appeal; and
2. That the Chief Judge and judges of the Federal High Court,

shall be appointed by the President simply on the advice of the Federal

<sup>23</sup>Sec. 211(1) of the constitution.

<sup>24</sup>Secs. 211(2) and 218(1) of the constitution.

Judicial Service Commission. And, at the state level, the constitution provides :

1. That the Chief Judge of the state's High Court;
2. That the Grand Kadi of the state's Sharia Court of Appeal, if any; and
3. That the President of the state's Customary Court of Appeal, if any,

shall be appointed by the state's Governor on the advice of the state's Judicial Service Commission, subject only to approval of the state's House of Assembly by a simple majority.<sup>25</sup> However, the constitution, under sections 235(2), 241(2) and 246(2), provides : (1) that the judges of the state's High Court; (2) that the Kadis of the state's Sharia Court of Appeal, if any; and (3) that the judges of the state's Customary Court of Appeal, if any, shall be appointed by the state's Governor simply on the advice of the state's Judicial Service Commission.

In essence, there are fundamental differences in the process of appointing persons to the Nigerian bench. While the appointments of the Chief Justice of Nigeria, justices of the Supreme Court and the President of the Federal Court of Appeal are subject to Senate confirmation, all other federal judges are appointed by the President on the advice, indeed, recommendation of the federal Judicial Service Commission. Thus, the power to appoint federal judges other than the Chief Justice, justices of the Supreme Court, and the President of the Federal Court of Appeal is entirely in the hands of the Federal Judicial Service Commission. As we noted, above in respect of power of removal, the votes of two members of the seven-member Commission are sufficient to cause the appointment of any federal judge other than the Chief Justice. Although the justices of the Supreme Court and the President of Federal Court of Appeal are themselves appointed by the President on the recommendation of the Federal Judicial Service Commission, the final appointing authority lies with a majority of members of the Senate. Again, while the appointments of the state's Chief Judge, the Grand Kadi of the state's Sharia Court of Appeal, if any, and the President of the state's Customary Court of Appeal, if any, are subject to approval by the legislative branch of government, all other state's judges are appointed by the Governor on the recommendation of the state's Judicial Service Commission. As we noted in respect of all federal judges except the Chief Justice, the votes of two members of the state's Judicial Service Commission are sufficient to cause the appointment of all state's judges including the Chief Judge, the Grand Kadi of the state's Sharia Court of Appeal, if any, and the President of the state's Customary Court of Appeal, if any, who incidentally, are *ex-officio* members of the Commission although

<sup>25</sup>Secs. 235(1), 241(1) and 246(1) of the constitution.

the ultimate appointing authority of these three categories of judges lies with the state's House of Assembly. While it is interesting to note:

1. That the President of the Federal Court of Appeal;
2. That the Chief Judge of a state's High Court;
3. That the Grand Kadi of a state's Sharia Court of Appeal, if any; and
4. That the President of a state's Customary Court of Appeal, if any,

share in the power of recommending appointments to their offices to the appropriate chief executive (President or Governor), the point we need to emphasise here is the appointments to the following offices lie with an extremely small number of people:

1. Justices of the Federal Court of Appeal;
2. Chief Judge and judges of the Federal High Court; and
3. Judges of the state's High Court, Kadis of the state's Sharia Court of Appeal, if any; and Judges of the state's Customary Court of Appeal, if any.

What we are saying is that the vesting in the federal or a state Judicial Service Commission the entire power to appoint certain judges cannot guarantee the independence of the judiciary. The 'founding fathers' of the Nigerian constitution should have made the final appointing authority to lie with the appropriate legislative body. We make bold this argument because, aside from the possibility of external influences on an extremely small number of people, personal and other considerations of the members of the federal or a state's Judicial Service Commission in making judicial appointments cannot completely be ruled out. In essence, it is because of these considerations and the possibility of external influences that it is important that the appointments of all federal and State judges should be subject to the confirmation of the appropriate legislative body.

#### USE OF THE CODE OF CONDUCT

In closing our examination of constitutional provisions relating to and affecting the independence of the judiciary and security of tenure, it might be necessary to take a look at the following:

1. The grounds for removing members of the bench;
2. The provisions of the constitution barring judges from practising their profession after vacating their offices; and
3. The power of the Code of Conduct Tribunal with respect to the removal of judges.

Section 256(1) of the constitution, it would bear repeating, provides that

A judicial officer shall not be removed from his office or appointment before his age of retirement except for his... inability to discharge the functions of his office or appointment (whether arising from infirmity of mind or of body) or for misconduct or contravention of the Code of Conduct.

Since it has not been known of a case where a judge has been removed on 'health' grounds, the only ground for removal is 'misconduct' or contravention of the code of conduct. Let us for the moment leave the latter ground for removal and focus on the former ground, i.e., 'misconduct'. Section 256(1)(a) provides that the Chief Justice of Nigeria, the Chief Judge of a state's High Court, the Grand Kadi of a state's Sharia Court of Appeal, if any or the President of a state's Customary Court of Appeal, if any, shall be removed by the appropriate chief executive acting on the address supported by two-thirds majority of the Senate or the state's House of Assembly while other federal or state judges shall be removed by the appropriate chief executive acting on the advice of the federal or a state's Judicial Service Commission. Given the very subjective nature of any determination of the meaning of so *broad* and *open-ended* term as 'misconduct,' it is possible for the Chief Justice of Nigeria and a state's Chief Judge to be removed for 'misconduct' while a similar action or misdemeanour is condoned by the members of the Federal or State Judicial Service Commission or vice-versa. What we are saying is that the term 'misconduct' is capable of many interpretations. Hence, it is suggested that all judges be removed by the appropriate legislative body.

Again, on reading the constitution, one finds that different kinds of behaviour are expected of members of the executive and judicial branches of government. While section 256(1) of the constitution states that members of the judiciary can be removed on grounds of 'misconduct', section 132 or section 170 of the constitution provides that the President and Vice-President or the Governor and Deputy Governor may be removed from office for

gross misconduct in the performance of the functions of his office...<sup>26</sup>

Section 132(1) of the constitution then explains that

'gross misconduct' means a grave violation or breach of the provisions of this Constitution or a misconduct of such nature as amounts in the

<sup>26</sup> Ss. 132(2)(b) or 170(2)(b) of the constitution.

opinion of the National Assembly to gross misconduct.<sup>27</sup>

It may be asked why judges can be removed from their offices on the grounds of ‘misconduct’ while the President and Vice-President or the Governor and Deputy Governor can only be removed on grounds of ‘gross misconduct’. In essence, the chief executives and their deputies are held to a lower standard of behaviour than judges. It is significant to note that while neither ‘misconduct’ nor ‘gross misconduct’ is a ground for removing members of the legislative branch of government who sit in judgment over the conduct of members of the executive and judicial branches of government,<sup>28</sup> a judge could be removed from office for an action that would not amount to ‘gross misconduct,’ the only ground for removing the chief executives and their deputies. This is very disturbing, given the fact that the responsibilities of the chief executives and their deputies are not less important than judicial responsibilities and, second, and this is very important, because the actions of the President and Vice-President or the Governor and Deputy-Governor have a much larger impact on the country or the appropriate state than the actions of judges. In any event, how is the appropriate legislative body to draw a distinction between ‘misconduct’ and ‘gross misconduct’? Because of these reasons, it is submitted that a similar standard of conduct be established for the removal of members of the executive and judicial branches of government.

On the issue of barring judges from practising their profession on leaving the bench for any reason whatsoever, section 256(2) of the constitution is very explicit:

A person who has held office as a judicial officer shall not on ceasing to be a judicial officer for any reason whatsoever appear or act as a legal practitioner before any court of law or tribunal in Nigeria.

In essence, a lawyer, once appointed to the bench and ceases to be a judge “for any reason whatsoever,” whether removed from office, cannot practise a profession which required many years of preparation to enter. Although the

<sup>27</sup>See also Sec. 170(11) of the constitution for definition of ‘gross misconduct’ as it relates to the offices of the Governor and Deputy Governor.

<sup>28</sup>Members of the legislative branch of government can only be removed for a violation of specific provisions of the criminal code or the code of conduct. Also, they shall vacate their seats if they cease to be Nigerian citizens; appointed members of commissions established by the constitution or any other law; if absent from legislative meetings for more than one-third of the total number of days during which the National Assembly or a State’s House of assembly meets in any one year; if elected President, Vice-President, Governor, or Deputy Governor or appointed a minister of the federal government or a states Commissioner; if they join another political party before the expiration of the period for which the National Assembly or a state’s House of Assembly was elected. See secs. 62, 64, and 104 of the constitution as well as the fifth schedule, part I of the constitution.

Nigerian ‘founding fathers’ may well be justified in writing this provision in the constitution, the consequence of this provision, *albeit* unintended, is to discourage many qualified lawyers from accepting positions on the bench. This problem which has created a backlog of cases, and affected the administration of justice may be solved by prohibiting former judicial officers from arguing their cases before judges with whom they sat on the same court before leaving the bench.

Finally, the fifth schedule, part I of the constitution establishes a code of conduct governing the actions of public officers who include:

Chief Justice of Nigeria, Justices of the Supreme Court, President and Justices of the Court of Appeal, all other judicial officers....<sup>29</sup>

Undoubtedly, the provisions of the code of conduct are aimed principally at eliminating bribery or undue influence involving material benefits in the discharge of duties by a public officer. More fundamental are restrictions contained in sections 1 and 9. Section 1 has this much to say:

A public officer shall not put himself in a position where his personal interest conflicts with his duties and responsibilities.

Because this provision is ambiguous, a public officer could be held in violation of the code if he expresses an opinion that is at variance with government policy. Again, section 9 provides that:

A public officer shall not do or direct to be done in abuse of his office, any arbitrary act prejudicial to the rights of any other person knowing that such act is unlawful or contrary to any government policy.

But just how is a public officer to determine exactly what is ‘government policy’ at any particular time since ‘government policy’ does, and may change?

However, the most serious problem relating to the code of conduct is in respect with the powers of a three-member Code of Conduct Tribunal to remove certain public officers (including judges from office) found guilty of violating the provisions of the code of conduct.<sup>30</sup> Part II, section 5 of the fifth schedule of the constitution considers judges as public officers subject to the provisions of the code. In essence, judges are liable to be removed from office by the Code of Conduct Tribunal, and under section 256 of the constitution. What is significant about the code of conduct provisions

<sup>29</sup>Sec. 5, part II of the fifth schedule of the constitution.

<sup>30</sup>The members of the Tribunal are appointed by the President on the advice of the Federal Judicial Service Commission. Sec. 8(b)(iv), part I of the third schedule of the constitution; Sec. 17(3), part I of the fifth schedule of the constitution.

is that judges found guilty of contravening these provisions have a right of appeal to the Federal Court of Appeal, and perhaps, ultimately to the Supreme Court. In consequence, justices of the Supreme Court, President and justices of the Federal Court of Appeal, and other federal and state judges could be removed by the Tribunal, and then appeal to their colleagues sitting on the same court with them. The possibility of a miscarriage of justice or a 'cover-up,' would, it is submitted, be removed if members of the judiciary are removed from the ambit of the Code of Conduct Tribunal.

#### CONCLUSION

We have been examining the various constitutional provisions relating to, and affecting the independence of the judiciary and security of tenure. It is our considered opinion that unless section 256 of the constitution is amended, taking into consideration our findings, the independence of the judiciary is in grave danger. Because we have recommended that all judges shall be answerable to the appropriate legislative body, and because the chief executives are answerable to the appropriate legislative body, it is our view that similar standards of conduct be established for their removal from office. Again, since the powers of removal by the Code of Counduct Tribunal are at variance with section 256 of the constitution, and because of a possibility of a miscarriage of justice or a 'cover-up,' it has been suggested that judges should be removed from the ambit of the Code of Conduct Tribunal. Certainly, our views suggest an amendment to the constitution. This should not constitute any problem because section 9 of the constitution describes the process of altering the provisions of the constitution.



#### Cliches of Culture

We have tended....to foster the belief that poverty is an indication of lack of worth. Until relatively recently, many biographies would begin: "Jones was born of poor but honest parents," the implication seeming to be that it is an exception to the rule when poor people are honest.

—*Liberalism and the Modern Polity*  
Ed. by MICHAEL J. GARGAS  
McGrath, 1978.

## **Impact of Incentive Schemes on Industrial Development in Backward Areas—A Case Study of Andhra Pradesh**

**K. Rama Krishna Sarma**

**I**T IS proposed to examine in this article the impact of the Central subsidy scheme and other important incentive schemes on the development of backward areas in the State of Andhra Pradesh and on the development of different types of industries. This will be followed by a critical appraisal of the incentive schemes in the context of the development of backward areas in the country.

The following are the incentive schemes proposed to be reviewed in this empirical analysis:

- (i) The Central investment subsidy scheme;
- (ii) The State incentive scheme (old scheme);
- (iii) The State investment subsidy scheme (new scheme); and
- (iv) The interest free sales tax loan schemes (IFST loan).

The first scheme has been initiated by the Central Government (in 1971), while the rest have been sponsored by the Government of Andhra Pradesh. In addition to these, a number of schemes are being implemented both by the Central and State Governments through the various financial/promotional institutions for achieving a rapid industrial growth in backward areas. The financial assistance offered by the public financial institutions on concessional terms and the provision of power and water at lower tariff rates by the State Government in backward areas also help to mobilise investment towards backward areas. The present analysis is confined to a study of the impact of the schemes specified above on the industrial development of backward areas in Andhra Pradesh and its constituent economic regions, *viz.*, coastal Andhra, Rayalaseema and Telangana.

Since the incentives imply cost to the public exchequer they are to be so designed as to induce industrial growth in the specified areas without dissipation of resources. Then the problem of identification of backward areas and the formulation of a rational strategy for their development are

to be tackled in order to achieve the maximum results from the incentive schemes. In fact, the nature and design of the package itself should depend upon the levels of development of the areas and the strategy to be followed for the development of such areas. Since the strategy depends upon the nature of resources of the regions and their potentiality for development, there cannot be a single blanket prescription of incentive schemes applicable to all backward areas. In short, the rational application of a package of incentives presupposes well thought out regional plans.

In view of the complex nature of the subject, topics such as the identification of backward areas, regional development and the small and large scale sectors have all been dealt with here from the angle of the incentives.

#### SOURCE OF DATA

The data on the different incentive schemes are drawn from primary and unpublished sources. Unitwise information pertaining to: (i) the fixed capital investment, (ii) the location of the unit, (iii) the incentive amount sanctioned, and (iv) the nature of the industry is collected in respect of all the 511 units covered by the Central subsidy scheme and 879 units covered by the State incentive scheme (old), and 150 units covered by the State investment subsidy scheme (new). Information relating to these units is collected from the registers maintained by the office of the Director of Industries, Government of Andhra Pradesh.

The efficacy and the impact of the incentives is studied by the programme evaluation committee of the Planning Commission. It can be expected in all fairness that the likely broad conclusions of such a study would not be substantially different from those derived by the present analysis.

#### IDENTIFICATION OF BACKWARD AREAS—FISCAL AND FINANCIAL INCENTIVES

At the meeting of the committee of the National Development Council in September 1968 it was decided that two working groups should be constituted to study the question of regional imbalances. This marks the beginning of the regional approach to the planning process aimed at the reduction of regional disparities in the country. In pursuance of this decision, two working groups were set up by the Planning Commission in November, 1968—one for recommending the criteria for the identification of backward areas and the other for recommending the fiscal and financial incentives for starting industries in the backward areas.

The committee for identification of backward areas, popularly known

as the Pande working group, in pursuance of its terms of reference<sup>1</sup> has evolved certain criteria for the identification of backward States in the country. The criteria suggested by the Pande working group for such identification included: (1) the total per capita income, (2) the per capita income from industry and mining, (3) the number of workers in registered factories, (4) per capita consumption of electricity, (5) the length of surfaced roads in relation to population and area, (6) railway mileage in relation to population and area. Besides Assam, Jammu and Kashmir, and Nagaland, the aggregate percentages of Andhra Pradesh, Bihar, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh were found to be lower than the national average in terms of the above criteria and hence these States were identified as industrially backward. The Pande working group suggested certain other criteria for the identification of backward districts in industrially backward states and union territories.<sup>2</sup>

The Planning Commission has not implicitly adopted the criteria suggested by the Pande working group. But broadly basing on the criteria evolved by the group, the Commission has recommended certain criteria<sup>3</sup>

<sup>1</sup>The relationship between the two aspects, *viz.*, identification of backward areas and incentives is explained in the terms of reference of the Pande Working Group : The terms of reference of the Pande working group are as follows:

To recommend the objective criteria to be followed in identification of backward regions which would qualify for special treatment by way of incentives for industries to be set up in such regions. Among others, the broad techno-economic factors which are relevant to the establishment of industries on a regional basis should be taken into account so that the grant of special concessions does not lead to irrational growth in industrial development.

SOURCE : *Report of the Working Group on Identification of Backward Areas*, Planning Commission, Government of India, p. 1.

<sup>2</sup>*Criteria for identification of backward districts in backward States* : (1) Districts outside a radius of about 50 miles from large cities or large industrial projects; (2) poverty of the people as indicated by low per capita income starting from the lowest to 25 per cent below the State average; (3) high density of population in relation to utilisation of productive resources and employment opportunities as indicated by: (a) low percentage of population engaged in secondary and tertiary activities (25 per cent below the State average may be considered as backward); (b) low percentage of factory employment (25 per cent below the State average may be considered as backward); (4) adequate availability of electric power or likelihood of its availability in 1-2 years; (5) availability of transport and communication facilities or likelihood of their availability in 1-2 years; (6) adequate availability of water. (These criteria are to be applied for backward states). But the Planning Commission has not accepted these.

SOURCE : *Report of the Working Group on Identification of Backward Areas*, op. cit., p. 13.

<sup>3</sup>*The criteria recommended by the Planning Commission*: (a) The districts (which are normally said to be economically and industrially backward) should possess a minimum level of infrastructure facilities essential for development of industries; (b) per capita food grains; (c) ratio of population to agricultural workers; (d) per capita industrial output; (e) number of factory employees per lakh of population; (f) per capita consumption of electricity; (g) length of surfaced roads and length of railway mileage in relation to population (only those districts with indices well below the State averages in respect of above indicators are to be selected as backward).

SOURCE : *Industrial Development of Backward Regions*, published by IDBI.

in consultation with the National Development Council (consisting among others, the State Chief Ministers) and financial institutions for such identification for the purpose of providing concessional finance. One point of contrast between these two sets of criteria is that while, according to the Pande working group, districts within the radius of 50 miles from larger cities and large industrial projects should not be considered as backward, they can be considered backward according to the set of criteria recommended by the Planning Commission.

In pursuance of the criteria evolved by the Planning Commission, 14 districts in Andhra Pradesh have been declared as backward<sup>4</sup> and these districts are considered eligible for concessional financial assistance, such as lower rates of interest and under-writing commission, longer initial moratorium, longer repayment period, etc., offered by the IDBI, the IFCI and the ICICI.

The working group on fiscal and financial incentives for starting industries in backward areas, popularly known as the Wanchoo working group, recommended the following fiscal incentives for attracting entrepreneurs to selected backward areas:<sup>5</sup>

- (a) Grant of higher development rebate to industries located in the selected backward areas.
- (b) Grant of exemption from income tax, including corporate tax for five years after providing for the development rebate.
- (c) Exemption from payment of import duty on plant and machinery, components, etc., imported by units in backward areas.
- (d) Exemption from excise duty for a period of five years.
- (e) Exemption from sales tax, both in raw materials and finished products, for a period of five years from the date of their going into production.
- (f) Transport subsidy for finished products for a period of five years in the selected areas of Assam, Nagaland, Manipur, Tripura, Nefia and Andamans.

But the Planning Commission felt that instead of giving a variety of incentives such as higher development rebate, exemption from income tax, etc., as recommended by the Wanchoo working group, the Central Government should give only one incentive in the form of an outright grant/subsidy amounting to one-tenth of the fixed capital investment in new

<sup>4</sup>The 14 districts include : (i) seven districts of Telangana (excluding Adilabad and Hyderabad in the region); (ii) all the four districts of Rayalaseema; (iii) the districts of Srikakulam, Prakasam and Nellore in coastal Andhra.

<sup>5</sup>The report of the working group (April, 1969)—fiscal and financial incentives for starting industries in backward areas, Development Commissioner (small scale industries), Ministry of Industrial Development, Government of India, pp. 16-17.

projects or on the expansion of the existing projects set up in notified backward areas provided the total fixed capital investment did not exceed Rs. 50 lakhs. Thus the Central investment subsidy scheme came to be implemented since 1971-72. The Central scheme was amended in 1973 according to which the units coming up in the notified backward districts after January, 1973 would be eligible for the subsidy on the fixed capital investment at 15 per cent subject to a maximum of Rs. 15 lakhs. The scheme as of now is applicable to all the units with a fixed capital investment of less than Rs. 1 crore. Though the units with investment exceeding Rs. 1 crore can be considered eligible on a selective basis, the subsidy would be limited to Rs. 15 lakhs. In Andhra Pradesh the Central subsidy scheme is under implementation at present in several notified panchayat samithis in different backward districts and in the entire district of Srikakulam. The Central subsidy tract in the State covers seven districts in the Telangana region, all the four districts of Rayalaseema, and two districts of coastal Andhra. The areas covered by the notified panchayat samithis in these districts are considered as eligible for Central subsidy.<sup>6</sup>

#### REVIEW OF CENTRAL INVESTMENT SUBSIDY (1972-77)

We may now make an industrywise and districtwise review of the Central subsidy scheme covering the period 1971-72 to 1976-77. Table 1 shows the spread of the Central subsidy by the size of capital investment in different districts covered by the scheme. It can be observed from the Table 1 that of the total of Rs. 390.74 lakhs disbursed during 1972-77 as subsidy, the Telangana region claimed the highest share (64.03 per cent) followed by Rayalaseema (34.5 per cent) and coastal Andhra (1.44 per cent). Medak, Chittoor and Cuddapah are the first three districts that claimed an aggregate share of 58.86 per cent in the total subsidy disbursed during the period 1972-77.

Assuming that units with an investment of less than Rs. 10 lakhs are

<sup>6</sup>The Panchayat samithis notified for the application of Central subsidy in different districts as on January 9, 1974 are given below:

*Srikakulam*—All the 24 panchayat samithis including 3 tribal development blocks; *Prakasam*—Giddalur was notified only in January 1974; *Chittoor*—Chandragiri, Chittoor, Bangarapalem, Pulicherla, Puttur, Kalahasti; *Ananthapur*—Singanamala, Tadipatri, Gooti, Kudair; *Kurnool*—Kurnool, Dhone, Banganapally, Nandyal; *Cuddapah*—Praddatur, Kamalapuram, Cuddapah, Pulivendla, Rajampet; *Mahaboobnagar*—Kalwakurthy, Amangal, Mahaboobnagar, Jadcherla, Shadnagar; *Medak*—Siddipet, Zaheerabad, Patancheru, Narlapur, Medak; *Nalgonda*—Suryapet, Nalgonda, Mungandi, Nakrikal, Kodal, Huzurnagar, Miryalaguda, Peddavora, Deverkonda; *Warangal*—Hanumakonda, Narsaraopet, Mahabubabad, Ghanapur, Jangan, Mulung; *Khammam*—Khammam, Tirumalaipalam, Kallur, Yallanda, Kothagudem, Aswaraopet, Burgampad, Bhadrachalam; *Karimnagar*—Peddapalli, Sultanabad, Karimnagar, Huzurabad, Sircilla, Manthani; *Nizamabad*—Kamareddy, Dana-konda, Yadpally Nizamabad.

TABLE 1 DISTRICTWISE DISTRIBUTION OF CENTRAL SUBSIDY DURING 1972-1977 BY SIZE OF CAPITAL INVESTMENT

Investment size (Rs. lakhs)	Medak	Nizamabad	Warangal	Mahabubnagar	Karimnagar	Nalgonda	Khammam	Total	Anantapur	Chittoor	Cuddapah	Srikakulam	Prakasam	Total
Less than 1 (a)	0.52	0.93	0.51	0.60	1.43	4.45	1.47	9.91	1.87	1.21	1.79	0.80	0.02	15.60
(b)	8	20	8	14	16	99	38	203	15	14	34	13	1	280
(c)	0.36	5.09	16.19	5.03	31.15	16.22	3.59	3.96	23.49	2.74	4.27	14.60	12.5	4.46
1-5	8.58	2.35	2.16	1.11	2.35	7.11	5.45	29.11	2.36	3.78	5.31	2.09	0.14	42.79
(a)	21	10	7	5	10	32	21	106	9	13	16	9	1	154
(b)	5.96	12.88	68.57	9.30	51.20	25.91	13.31	11.63	29.65	8.55	12.68	38.14	87.5	12.23
(c)	9.84	—	0.48	2.18	0.81	0.63	2.77	16.71	1.42	2.53	1.40	0.95	—	23.01
5-10	10	—	1	3	1	1	3	19	2	3	2	1	—	27
(a)	6.84	—	15.23	18.27	17.65	2.30	6.76	6.68	17.84	5.72	3.33	17.33	—	6.57
(b)	1.63	1.37	—	3.11	—	4.71	—	10.82	2.34	5.62	11.82	1.64	—	32.24
(c)	1	1	—	2	—	2	—	6	1	2	6	1	—	16
10-25	1.13	7.51	—	26.07	—	17.16	—	4.32	29.40	12.71	28.23	29.93	—	9.23
(a)	1.91	13.60	—	4.93	—	3.48	4.44	28.36	—	—	2.09	—	—	30.45
(b)	1	2	—	1	—	2	2	8	—	—	1	—	—	9
(c)	1.33	74.52	—	41.32	—	12.68	10.84	11.33	—	—	4.99	—	—	8.70
25-50	37.68	—	—	—	—	7.06	5.73	50.47	—	12.32	11.96	—	—	74.75
(a)	5	—	—	—	—	7	1	7	—	2	2	—	—	11
(b)	26.18	—	—	—	—	25.73	14.00	20.17	—	27.87	28.56	—	—	21.36
(c)	83.75	—	—	—	—	—	21.08	104.83	—	18.75	7.50	—	—	131.08
100 and above	9	—	—	—	—	—	2	11	—	2	1	—	—	14
(a)	58.20	—	—	—	—	51.49	41.90	—	42.41	17.91	—	—	—	37.45
(b)	143.91	18.25	3.15	11.93	4.59	27.44	40.94	250.21	7.96	44.21	41.87	5.48	0.16	349.89*
(c)	55	33	16	25	27	137	67	358	27	36	62	24	2	511
Percentage share of districts	36.83	4.67	0.81	3.05	1.17	7.02	10.48	54.03	2.04	11.31	10.72	1.40	0.04	

\*This is exclusive of subsidy of Rs. 40.85 lakhs paid to Kurnool District.

NOTE : (a) = Amount of subsidy in Rs. lakhs; (b) = No. of Units; and (c) = Percentage to the total of the district.

in the small scale sector, it can be said that that sector accounted for only 23.26 per cent of the subsidy in the State. However, the share of the small scale sector in the total number of units was quite substantial and about 90 per cent of the units covered by the subsidy scheme were small scale. On the other hand, the medium and large scale units with investment exceeding Rs. 10 lakhs, though a few in number, accounted for a disproportionately higher share in the total amount of subsidy. While, at the one extreme, more than half of the units with capital investment of less than Rs. 1 lakh claimed only 4.46 per cent of the total subsidy, at the other extreme, a handful of units, with investment more than Rs. 50 lakhs, claimed more than half the total subsidy. Since the amount of subsidy is related to the capital investment, naturally the units with substantial investments can be expected to have claimed the major portion of the subsidy. It can, therefore, be suggested that instead of adopting a uniform rate of subsidy, irrespective of the size of the unit, application of differential subsidy rates biased towards the small scale sector would benefit the small scale units and this would be in keeping with the policy of the government to encourage the small scale sector, while aiming at the development of backward regions.

In districts such as Medak, Khammam, Chittoor and Cuddapah, a few top units accounted for a disproportionately high share of subsidy. In the Medak district, units such as the Nagarjuna Steels Ltd., A.P. Scooters, the Dennison Hydraulics India Ltd., Hyderabad Connectronics, Nova Pan India Ltd., Solid State Devices, Vidyut Steels Ltd., and two other units were with investment of more than Rs. 1 crore each and the aggregate claim of these nine units worked out to 58.20 per cent of the total amount of subsidy granted to the district. It may be added that all these units are assisted by the Andhra Pradesh Industrial Development Corporation (APIDC) and belong to one of the categories of : (a) assisted units, (b) joint ventures or (c) subsidiaries. In the Khammam District the two units, with investment of more than Rs. 1 crore, that accounted for more than half the total subsidy are the A.P. Steels Ltd. and the Navabharat Ferro Alloys. These are assisted by the APIDC also. The eleven units mentioned above alone accounted for over one-fourth of the total amount of subsidy disbursed in the State during the period 1972-77. In contrast, in the districts of Warangal, Karimnagar, Nalgonda, Ananthapur and Srikakulam a relatively larger amount of subsidy accrued to the small scale sector.

#### INDUSTRYWISE ANALYSIS OF THE CENTRAL SUBSIDY

The units covered under the Central subsidy scheme have been classified under five industrial groups and their respective share in the total subsidy is given in Table 2. As can be observed, the non-agro-based industrial groups such as the chemical and metal based industries and the cement and non-metallic mineral products industries accounted for 61.24 per cent of the

TABLE 2 DISTRICTWISE DISTRIBUTION OF CENTRAL SUBSIDY IN THE  
 ELIGIBLE DISTRICTS, 1972-77  
 (Upto 31st March 1977)

Districts	Agro-based industries	Forest and leather-based industries	Chemicals, fertilisers	Cement and non-metallic mineral products	Basic metal and machinery manufacturing	(Subsidy in Rs. lakhs)	
						(1)	(2)
						(3)	(4)
						(5)	(6)
						(7)	
1. Medak	(a) 6	2	7	3	37	55	
	(b) 5.58	0.25	2.28	4.70	131.10	143.91	
	(c) 3.87	0.17	1.58	3.26	91.10	100	
2. Nizamabad	(a) 12	4	1	2	10	29	
	(b) 15.55	0.69	0.16	1.26	0.59	18.25	
	(c) 85.20	3.78	0.87	6.91	3.23	100	
3. Warangal	(a) 7	3	1	1	4	16	
	(b) 0.63	1.22	0.14	0.19	0.97	3.15	
	(c) 20.00	38.73	4.44	6.03	30.79	100	
4. Mahbubnagar	(a) 8	4	4	—	9	25	
	(b) 8.87	0.09	0.47	—	2.50	11.93	
	(c) 74.35	0.75	3.94	—	20.96	100.00	
5. Karimnagar	(a) 15	1	2	5	4	27	
	(b) 2.10	0.06	1.34	0.88	0.21	4.59	
	(c) 45.75	1.31	29.20	19.17	4.58	100	
6. Nalgonda	(a) 80	17	6	2	32	137	
	(b) 20.06	4.42	0.29	0.32	2.35	27.44	
	(c) 73.10	16.11	1.06	1.17	8.56	100	
7. Khammam	(a) 37	6	4	7	13	67	
	(b) 8.77	0.55	6.26	1.37	23.99	40.94	
	(c) 21.42	1.34	15.29	3.35	58.60	100	
Total Telangana	(a) 165	37	25	20	109	356	
	(b) 61.56	7.29	10.94	8.72	161.71	250.21	
	(c) 24.60	2.92	4.37	3.48	64.63	100	
8. Anantapur	(a) 12	3	2	2	8	27	
	(b) 5.29	0.14	0.49	0.06	1.98	7.96	
	(c) 66.45	1.76	6.16	0.75	24.87	100	
9. Chittoor	(a) 12	1	4	2	16	35	
	(b) 31.64	0.02	0.60	0.73	11.22	44.21	
	(c) 71.57	0.04	1.36	1.65	25.38	100	
10. Cuddapah	(a) 31	6	6	2	17	62	
	(b) 23.81	1.61	10.70	2.49	3.25	41.87	
	(c) 56.87	3.84	25.56	5.95	7.76	100	

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
11. Prakasam	(a)	—	—	—	1	1	2
	(b)	—	—	—	0.14	0.02	0.16
	(c)	—	—	—	87.5	12.5	100
12. Srikakulam	(a)	16	2	1	3	2	24
	(b)	4.16	0.08	0.18	0.42	0.64	5.48
	(c)	75.91	1.46	3.28	7.66	11.68	100
Total all Districts	(a)	236	49	38	30	153	506
	(b)	126.46	9.14	22.91	12.56	178.82	349.89
	(c)	36.14	2.62	6.54	3.59	51.11	100

(a)=No. of Units.

(b)=Amount of subsidy in Rs. lakhs

(c)=The percentage share of the given industry group in the total subsidy of all the groups.

- NOTES : 1. Agro-based industries include the industries such as food products, sugar and gur, tobacco manufacture, beverages, manufacture of cotton and jute textiles and textile goods.
2. Forest and leather-based industries group includes wooden furniture, paper and paper products, tannery and leather products.
3. Chemical-based industries group includes rubber, fertilisers, basic chemicals, plastic products and petroleum products.
4. Basic metal and manufacture of machinery goods includes, basic metals such as iron and steel, metal products, manufacture of agricultural and other machinery, electrical machinery, transport equipment and service and engineering industries.

total amount of the subsidy though their share in the total number of units was disproportionately low. In particular, the metal based and the machinery manufacturing industry group claimed more than half the total amount of subsidy. In the Telangana region, the share of the non-agro-based industries (72.48 per cent) was disproportionately higher than that of the State average (61.24 per cent). Among the districts, Telangana, Medak and Khammam had a higher share of subsidy in the chemicals, cement and basic metal and machinery manufacturing industries. On the other hand, the subsidy disbursed to agro-based industries in the case of districts such as Nizamabad, Mahbubnagar, Warangal and Nalgonda was much higher compared to other industries.

Since the amount of subsidy is related to the capital investment, it can be concluded that the pattern of distribution of Central subsidy, among different industry groups, reflects the pattern of industrial development pursued in the State. A higher priority for the development of non-agro-based capital goods industries can be implied from the distribution of the Central subsidy in the State. In particular, greater emphasis is laid in the development of capital goods industries in the Telangana region.

## INCENTIVES OFFERED BY THE GOVERNMENT OF ANDHRA PRADESH

*State Incentive Scheme (Old)*

The main responsibility either for the industrialisation or for the reduction of intra-State disparities rests on the concerned State Governments. Hence the Government of Andhra Pradesh took the initiative in various directions for the industrialisation of the State. The State Government implemented the State incentive scheme (old) (sales tax refund scheme) during the period 1969-75 with a view to giving a fillip to the pace of industrialisation in the State. The scheme applied to all manufacturing units set up after January, 1969 in the private sector irrespective of the size, location and the nature of the industry. The industrial units, according to the scheme, were entitled to claim subsidy upto 10 per cent of the capital investment made in the unit. The term 'capital investment' for the purpose of computation of subsidy covers investment in land, buildings, and plant and machinery. The amount of subsidy thus computed would not be paid as an outright cash grant, but it could be claimed by the entrepreneur by way of reimbursement towards the sales tax paid by the unit concerned during the period of five years from the date of commencement of production in connection with the purchase of raw material and capital assets. The aggregate claim of the unit by way of reimbursement during the five years should not exceed the sanctioned amount of subsidy, i.e., 10 per cent of the fixed capital investment. The units that have commenced production during the period of this scheme totalled 879 in the State.

As can be observed from Table 3, the total amount of subsidy or sales tax refund sanctioned to 879 units totalled to Rs. 3.5 crores. The shares of coastal Andhra, Rayalaseema and Telangana (including the twin cities of Hyderabad and Secunderabad) regions were 28.60 per cent, 8.92 per cent and 62.48 per cent respectively. The districtwise distribution of the total incentive amount suggests that only a few districts could claim higher share, indicating the uneven growth of industrial units. For instance, the aggregate share of the first three districts, viz., Hyderabad (38.4 per cent), Karimnagar (11.2 per cent) and Guntur (10.04 per cent) worked out to about 60 per cent of the total amount of subsidy sanctioned during the period 1969-75. This implies concentration of the incentive subsidy in a few districts of the State.

The incentive amount claimed by the large and small scale sectors is also studied in order to have a right perspective in regard to the place of these sectors in the industrial economy of the regions. Table 4 shows that the claim of the small scale sector is far lower than that of the large scale sector in the total incentive amount. Incidentally, this would also mean that the private investment made during the period under study in the small scale sector was far lower than that of the investment in large scale sector.

The quotient values suggest that Telangana and the twin cities claimed a disproportionately higher share of the incentive amount in respect of the large scale sector, while the coastal Andhra and the Rayalaseema regions claimed a disproportionately higher share of the incentive amount in the small scale sector. This bias for large scale units in Telangana may be

TABLE 3 DISTRIBUTION OF INCENTIVE SUBSIDY AMONG DISTRICTS DURING 1969-75 (IN PERCENTAGE)

Districts	share in total incentive	share in fixed capital in 1971	Capital* quotient (1971)	Incentive† quotient (1969- 1975)
1. Srikakulam	0.91	2.98	0.50	0.15
2. Visakhapatnam	2.53	27.9	4.33	0.39
3. East Godavari	2.43	5.6	0.78	0.34
4. West Godavari	2.21	4.2	0.77	0.41
5. Krishna	5.44	2.1	0.36	0.95
6. Guntur	10.04	2.5	0.38	1.53
7. Prakasam	1.35	0.44	0.09	0.31
8. Nellore	3.67	0.48	0.13	0.99
Coastal Andhra	28.60	46.1	1.01	0.63
9. Anantapur	2.45	0.65	0.13	0.50
10. Chittoor	1.59	1.2	0.23	0.30
11. Cuddapah	1.70	0.36	0.09	0.47
12. Kurnool	3.19	2.9	0.63	0.70
Rayalaseema	8.92	5.2	0.28	0.49
13. Adilabad	1.57	3.63	1.23	0.53
14. Hyderabad (Twin cities)	38.40	25.96	4.04	5.96
15. Karimnagar	11.23	4.22	0.93	2.48
16. Khammam	0.74	0.25	0.08	0.74
17. Mahbubnagar	0.11	0.25	0.06	0.11
18. Medak	7.60	12.33	3.66	2.25
19. Nalgonda	1.37	0.04	0.09	0.33
20. Nizamabad	1.17	1.18	0.39	0.39
21. Warangal	0.30	0.74	0.17	0.07
Telangana	62.48	48.6	1.34	1.72

Absolute figures for the State:

Amount of Subsidy (Rs. '000) 35015

Numbers of Units covered 879

\*Capital quotient is obtained by dividing the percentage share of the district in the total fixed capital investment by the percentage share of the district in the total population. This indicates the inequalities in the level of development of different districts.

†Incentive quotient is obtained by dividing the percentage share of the district in the total incentive by the percentage share of the district in the population of the State. This measure indicates the inequality in the incentive amount accrued to different districts. Positive correlation is observed between the capital quotient and incentive quotient indicating that developed districts were benefited by this incentive scheme.

TABLE 4 SECTORAL AND REGIONAL DISTRIBUTION OF INCENTIVE SUBSIDY (IN PERCENTAGE)

Region		Large scale	Small scale	Total	Nos.
		(Rs. '000)			
1. Coastal Andhra	(a)	53.7(0.82)	46.3(1.34)	100	28.7
	(b)	23.2	38.4		10036
2. Rayalaseema	(a)	39.8(0.61)	60.2(1.74)	100	8.7
	(b)	5.3	15.2		3047
3. Telangana	(a)	80.6(1.23)	19.4(0.56)	100	24.1
	(b)	29.8	13.5		8455
4. Twin cities	(a)	70.4(1.07)	29.6(0.86)	100	38.5
	(b)	41.6	32.9		13477
State		65.4	34.6	100	100
Absolute figures (Rs.'000)		22906	12109		35015

(a)=Percentage to total of the region.

(b)=Percentage to total of the State.

NOTE : Figures in brackets are location quotients.

explained by the fact that a large proportion of units in the region (including twin cities) are non-agro based and capital-intensive. Even in the district of Telangana, it can be observed that a larger proportion of the incentive amount, and hence investment, is concentrated in a few units. For instance, in the Medak District the three large scale units, viz., the Zaheerabad unit of Nizam Sugar Factory, the Pratab Steel Rolling Mills Ltd., and the Libra Chemicals claimed 94 per cent of the total subsidy sanctioned in the district. Similarly, in Karimnagar District two large units, viz., Karimnagar Co-operative Spinning Mills Ltd., and Kesoram Cements claimed the lion's share of 93 per cent of the total subsidy. It should not, however, be construed that the large scale sector should not grow. But it is the small scale sector that may be expected to bring about more employment opportunities in backward areas and a greater dispersal of industrial activity, even though the large scale sector cannot be ignored where necessary.

The units covered by the State incentive scheme have been classified on the basis of the nature of industrial activity and the subsidy/sales tax refund sanctioned for the different major industry groups is ascertained. As the nature of all the 879 industrial units is not known, the incentive subsidy sanctioned for 532 units is classified under five major industry groups: (i) agro-based; (ii) forest and leather based; (iii) cement and mineral based; (iv) chemical based; and (v) basic metal and machinery manufacture. Location quotient is computed in terms of the incentive subsidy for determining the degree of localisation of the different industries in the regions.

Table 5 shows that in coastal Andhra, Rayalaseema and Telangana

TABLE 5 REGIONAL AND INDUSTRYWISE DISTRIBUTION OF SUBSIDY DURING 1969-1975 (IN PERCENTAGE)

<i>Regions</i>	<i>Agro-based</i>	<i>Metal-based</i>	<i>Mineral-based</i>	<i>Chemical-based</i>	<i>Forest and leather-based</i>	<i>Total</i>	<i>Rupees thousands</i>
Coastal Andhra	(a) 67.5(1.27)	16.1(0.72)	6.0(0.91)	7.7(0.46)	2.6 (1.6)	100	7203.97
	(b) 35.9	20.6	25.4	13.1	38.8		(28.2)
Rayalaseema	(a) 61.7(1.16)	20.3(0.91)	4.7(0.71)	12.0(0.72)	1.1(0.68)	100	1979.95
	(b) 9.0	7.2	5.5	5.6	5.4		(7.7)
Telangana	(a) 70.0(1.32)	20.2(0.51)	2.9(0.44)	6.4(0.38)	0.6(0.37)	100	4879.38
	(b) 25.2	17.4	8.4	7.4	7.1		(19.2)
Twin Cities	(a) 35.0(0.66)	26.9(1.21)	8.9(1.35)	27.2(1.64)	1.5(0.94)	100	11458.72
	(b) 29.9	54.8	60.6	73.9	40.6		(44.9)
State	53.10	22.10	6.60	16.60	1.60		(100)
State Total Absolute Figures (Thousands)	13564.76	5626.61	1694.96	4225.66	409.73		25522.02

(a)=Percentage to total of the region.

(b)=Percentage to total of the State.

NOTE : Figures in brackets are location quotients.

(exclusive of the twin cities) the agro-based industries claimed a substantial share in the total amount of subsidy sanctioned in their respective regions. The twin cities (including Patancheru and Ramachandrapuram areas of the Medak district) can be observed to occupy an important place in respect of the non-agro based industries. The location quotients indicate that while the agro-based industrial units are localised in coastal Andhra, Rayalaseema and Telangana districts, the non-agro based industries are localised in the twin cities. It may, however, be added that the location quotient for Rayalaseema and Telangana in respect of metal based industries is nearer to unity. This signifies the importance of the metal-based industry group in Rayalaseema and Telangana. It may be concluded from the foregoing analysis that while the agro-based industries are fairly spread out in all the regions, except the twin cities, the non-agro based industries such as iron and steel, mineral and chemical based industrial units tended to localise in the twin cities.

#### *State Investment Subsidy Scheme (New Scheme)*

It is stated that the State incentive scheme which provided for the refund of sales tax was mainly intended to provide an impetus to the process of industrialisation in the State. Since the scheme was made applicable to all the areas in the State, the new units would be naturally guided by the economies of agglomeration.

As noted earlier, this resulted in the development of the already developed areas in the State. Hence the State Government felt the need to introduce the principles of selectiveness and gradation in the incentive scheme. Consequently, the State investment subsidy scheme was introduced in order to "more effectively serve the purpose of bringing about rapid industrial growth in the State and along with it to serve the purpose of bringing about this growth in all parts of the State, with particular attention to the backward taluks and blocks and of stimulating new entrepreneurial development".<sup>7</sup>

Under the State investment subsidy scheme, entrepreneurs setting up new industrial units and effecting substantial expansion of the existing units after January 1976 would be eligible for investment subsidy on the fixed capital cost. The fixed capital investment would be subsidised at 10 per cent of the fixed capital cost subject to a ceiling of Rs. 10 lakhs in the case of all areas declared backward under the six point formula by the State. This scheme would not apply to areas covered by the Central subsidy scheme or the scheduled tribal areas. The point of distinction in regard to coverage, between the Central subsidy scheme and State investment subsidy is as follows: The Central subsidy scheme is applicable only to the specified panchayat samithis of 14 backward districts of the State. But the State

<sup>7</sup>Industries and Commerce Department G.O. Ms. No. 224, dated March 9, 1976. Government of Andhra Pradesh.

investment subsidy is applicable to the specified taluks considered backward in all the districts of the State under the six point formula.

All the industries are not eligible for the State investment subsidy. The industries included in Annexure III of G.O. No. 224 of March 9, 1976 are not eligible for grant of investment subsidy and sales tax loans.

Table 6 gives the districtwise distribution of the State investment subsidy sanctioned upto February, 1979. As can be observed coastal Andhra accounted for about three-fourths of the total subsidy sanctioned. The other two regions claimed less in relation to their share in population. Visakhapatnam (38.13 per cent), East Godavari (31.95 per cent), and Hyderabad (16.04 per cent) that were outside the purview of the Central

TABLE 6 DISTRICTWISE DISTRIBUTION OF STATE INVESTMENT SUBSIDY AND INTEREST FREE SALES TAX LOAN UPTO FEBRUARY 1979

District	10% State Subsidy			Interest free sales tax loan			(Amount Rs. in lakhs)	
	No. of units	Subsidy sanctioned	% to total	No. of units	Subsidy sanctioned	% to total		
1. Srikakulam	—	—	—	3	1.33	0.82		
2. Visakhapatnam	35	34.46	38.13	32	24.28	14.87		
3. East Godavari	4	28.87	31.95	3	9.38	5.75		
4. West Godavari	2	0.63	0.70	7	6.62	4.06		
5. Guntur	—	—	—	—	—	—		
6. Nellore	—	—	—	1	0.30	0.18		
7. Prakasam	13	2.64	2.92	11	12.44	7.62		
Coastal Andhra	54	66.60	73.70	57	55.35	33.30		
8. Anantapur	3	0.08	0.09	3	0.67	0.41		
9. Chittoor	12	1.14	1.26	17	6.98	4.27		
10. Cuddapah	—	—	—	4	4.78	2.93		
11. Kurnool	6	0.73	0.81	13	1.94	1.79		
Rayalaseema	21	1.95	2.16	37	14.37	8.80		
12. Hyderabad	47	14.50	16.04	54	29.59	18.13		
13. Medak	—	—	—	7	32.75	20.07		
14. Nalgonda	—	—	—	2	6.19	3.79		
15. Nizamabad	—	—	—	—	—	—		
16. Warangal	5	0.66	0.73	4	0.22	0.13		
17. Adilabad	9	1.84	2.04	9	1.82	1.11		
18. Khammam	4	3.49	3.86	7	14.61	8.95		
19. Mahaboobnagar	3	0.40	0.44	6	8.41	5.15		
20. Karimnagar	7	0.93	1.03	7	0.93	0.57		
	75	21.62	24.14	96	94.52	57.90		
A.P.	150	90.37	100	190	163.24	100		

subsidy scheme came to occupy the first three places under State investment subsidy scheme.

Guntur District is not at all benefitted by the scheme; this can be attributed, first, to the less number of taluks covered under the scheme in the district and, secondly, to the exclusion of its dominant industry, *i.e.*, tobacco manufactures from the purview of the scheme. Since all the districts of Rayalaseema and Telangana, excluding Hyderabad and Adilabad, are covered by the Central subsidy scheme, and since the State subsidy scheme is not applicable to the areas covered by the Central subsidy scheme, the districts of Rayalaseema and many of the districts of Telangana did not receive any benefit under the State subsidy scheme.

The low impact of this scheme is also evident from the very small number of units (150) covered by the scheme during the period January, 1976 to February, 1979. There could be a number of reasons for the low impact of this scheme. If the payment of subsidy is expected to provide any motivation to the entrepreneurs to set up units in backward areas, the Central subsidy scheme seems to be more lucrative to them compared to the State investment subsidy scheme and hence they would rather prefer to move to the Central subsidy tract instead of State subsidy tract.

This is because the rate of subsidy of the Central subsidy scheme is 15 per cent as against 10 per cent under the State subsidy scheme. Secondly, the entrepreneurs are not restricted in regard to the nature of the industry. Hence the State subsidy scheme could not make any significant dent on the development of backward areas in the backward districts. But the scheme can be expected to benefit the developed districts of the State or the backward taluks of developed districts, where the Central subsidy scheme is not applicable. If the State investment subsidy scheme should spur the growth of specified industries in the specified backward taluks of backward districts, not covered by the Central subsidy scheme, the capital investment under the State investment subsidy scheme needs to be subsidised at higher rate as compared to the Central subsidy scheme.

The reason is that entrepreneurs contemplating to set up units availing the subsidies would set up such units in tracts where 15 per cent Central subsidy would be available rather than the tracts where only 10 per cent State incentive subsidy is available.

Discussion with the concerned officials on the State incentive schemes revealed that sufficient publicity was not given for these schemes at the district and taluk levels. There is, therefore, every need to strengthen the relevant administrative machinery at the district level. The district industries centres (DICs) are being set up and they are expected to provide the necessary guidance in a comprehensive manner to the entrepreneurs.

*Interest Free Sales Tax Loan (IFST Loan)*

This is another scheme under implementation simultaneously with the State investment subsidy scheme since January, 1976. According to the scheme the State Government will give interest free sales tax loan to all new industrial units and/or those going in for substantial expansion in all the areas excepting the municipal limits of Hyderabad and Secunderabad, Vijayawada and Visakhapatnam.

The amount of loan granted to the entrepreneur would be equal to the sales tax paid by the entrepreneurs on the construction material, plant and machinery during the pre-production stage and also the sales tax/purchase tax paid during the first five years since the date of going into regular production on raw materials, components and finished goods. The maximum claim of loan during the first five years period shall not exceed 10 per cent of the capital investment. The loan can be claimed annually and each year's loan is repayable in full at the end of the tenth year from the date of drawing the loan.

As can be seen from Table 6 only 190 units could avail themselves of the benefits under the scheme upto February, 1979 and the total amount of their eligibility (basing on 10 per cent of capital investment) worked out to Rs. 163.24 lakhs in the State. Since this loan scheme is applicable to all the areas (excluding the municipal limits of certain developed centres) units coming up in the developed districts are eligible for the loan. This scheme seems to be mainly intended to give financial relief to entrepreneurs to enable them to meet the working capital requirements; and it will not have any deterrent effect on the growth of industries in developed districts. As can be expected from the nature of the scheme, the developed districts such as Hyderabad and Visakhapatnam claimed a substantial share in the total amount. Since areas such as Patancheru, Ramachandrapuram, etc., covered by the administrative jurisdiction of Medak District, are also developing at a faster rate, Medak District occupied the first place with 20.07 per cent share in the eligible amount of loan. It may, however, be suggested that instead of applying a uniform rate, irrespective of the relative levels of development of districts/areas, application of graded rates of eligibility depending upon the level of development, favouring the less developed districts/areas, would positively encourage the setting up of units in backward areas.

#### CRITICAL APPRAISAL OF THE INCENTIVE SCHEMES

We may now evaluate the incentive schemes in the broader context of the country. But as the discussion centres round the generality of incentive schemes, it applies even to Andhra Pradesh.

The backward States/backward districts in the country could not avail themselves of the benefits of the Central subsidy scheme mainly due to lack

of infrastructure facilities. The Nayak Committee set up by Government of India reviewed, among others, the working of Central investment subsidy scheme. It is revealed that the largest percentage (28 per cent) of assistance in terms of reimbursement<sup>8</sup> by the Central Government accrued to Maharashtra upto 1974-75. Tamil Nadu came the second largest beneficiary. It is observed that "the backward States have received comparatively less subsidy as compared to certain advanced States. Similarly, the data on subsidy reimbursed to the small scale industry as compared to the large and medium industry is also meagre and small scale industry has not really got its due share as compared to the medium and large scale sector<sup>9</sup>. As noted earlier, the empirical analysis pertaining to Andhra Pradesh also revealed that the small scale sector claimed only a meagre share in the total amount of subsidy. This can be attributed to the inherent defect in the scheme itself which linked up the amount of subsidy to the capital investment. As suggested earlier, adoption of differential subsidy rates favouring the small sized units would encourage the growth of small scale sector which would be in consonance with the latest industrial policy of the Government of India.

The Wanchoo working group recommended that, in view of the resource constraint, it would be desirable to select only certain backward districts in the industrially backward States which may qualify for special treatment by way of incentives for industrial development<sup>10</sup>. But there has been a proliferation of backward districts even in the developed States which ultimately qualified for and claimed a relatively higher share of Central subsidy. There seems to be some inbuilt drawback even in the criterion adopted by the Planning Commission for identification of backward areas/districts. The districts, in order to qualify as backward, should possess a minimum level of infrastructure facilities essential for the development of industries. Consequently, since the already developed States, in view of their sound financial position, could develop infrastructure facilities in their districts they could be designated as backward if, however, their position in respect of the other criteria is 25 per cent below the State's average level. The backward States, on the other hand, would not be able to develop infrastructure base due to resource constraint and hence, possibly, their constituent districts may not qualify for the package of incentives. Further, even areas within the radius of 50 miles from a large metropolis can be identified as backward for the purpose of the package of incentives. This would only result in the concentration of industrial activity around such metropolitan areas because of the agglomerative factors. It is widely felt that the backward districts of the developed States have been the major

<sup>8</sup>According to the Central Subsidy Scheme, first the State Government would pay subsidy out of its resources and then seek reimbursement from the Central Government.

<sup>9</sup>*Report of Nayak Committee on Backward Area Development Programme*, (1976), p. 17.

<sup>10</sup>*Report of the Working Group of Fiscal and Financial Incentives*, op. cit., p. 10.

beneficiaries of the various incentives offered by the government and also the concessions given by the all-India financial institutions such as IFCI and IDBI.

The Wanchoo Committee felt that a suitably concentrated programme has to be drawn up for the maximum impact depending on the resources available instead of thinking in terms of a very massive and widespread programme. The Committee recommended the selection of certain backward areas for the purpose of development and the application of scheme of incentives to these central points or growth points. Further, small scale units rather than the large sized units should be encouraged in such growth centres. For instance, the Committee observed: "While generally we favour the development of medium and small scale industries in backward areas, large scale need not be ruled out all the more so when it is based on local raw materials. But by and large, the programme for these growth centres will comprise of medium and small scale industries development"<sup>11</sup>. In short, according to the committee the strategy for the development of backward areas consists of identification of growth centres in backward States, or adoption of the growth pole strategy and encouragement of small scale sector in such growth centres through a package of incentives. But contrary to this, since the package of incentives is administered more or less indiscriminately, a few large scale units, in already developed districts, in a given State, and a few developed States in the country, happened to be the major beneficiaries.

Another point of appraisal of Central subsidy and other incentive schemes relates to the employment potential that they have created in the backward areas. As stated earlier, since the Central and State subsidies are related to capital investment, obviously there would be positive encouragement for the setting up of capital intensive projects with low employment potential in backward areas.

The high powered committee headed by the former Industries Minister late T.A. Pai to formulate a new strategy for the development of backward areas, while emphasising the need to set up labour intensive industries, proposed several modifications in the capital subsidy scheme, which among others included linking up of the Central subsidy to employment generation<sup>12</sup>.

The Nayak Committee (1976) also recommended selectivity of industries while providing incentives. Suggesting that the incentives should be employment oriented or at least have some relation to employment potential, the Committee felt that the industries based on local natural resources and ancillaries would be suitable for applying such employment oriented subsidy<sup>13</sup>.

The latest five year plan has also expressed concern over the low impact

<sup>11</sup>Report of Working Group on Fiscal and Financial Incentives, op. cit., p. 12.

<sup>12</sup>"Editorial", Economic Times, Bombay Edition, October 18, 1976.

<sup>13</sup>Report of the Nayak Committee, op. cit., p. 25.

of the incentives on the backward areas in the following words:

The total amount disbursed on account of the investment subsidy (*i.e.*, central subsidy) amounted to Rs. 36 crores up to the end of January, 1977. At present the benefits from this subsidy are concentrated in a few districts/areas. Moreover, no attempt is made to discriminate in favour of the sort of industries that could have a major impact on the districts/areas in terms of employment or resources development or forward linkages. For instance, the amounts given as subsidy are not related to employment but to capital investment. The extent to which the subsidy has helped to promote the overall level of development in backward areas has yet to be assessed.<sup>14</sup>

The Planning Commission is also critical of the role of the public financial institutions such as IDBI, IFCI and ICICI. It is observed that of the total amount of concessional finance offered (Rs. 273.99 crores in 1976-77) by these institutions, the share of assistance sanctioned to units in backward areas was 45 per cent in 1976-77. It is pointed out that "as in the case of investment subsidy the benefits have accrued to a small proportion of the districts covered. This scheme too is not selective with respect to industries and subsidises capital rather than labour. A full assessment of its impact has yet to be made".<sup>15</sup>

#### INCENTIVES AND REGIONAL DEVELOPMENT—SOME OBSERVATIONS

Swaminathan points out that the incentive schemes adopted are not designed specifically to offset diseconomies of location in backward areas or to maximise factor incomes in the backward areas. In order to devise incentive schemes to offset the diseconomies of locating industrial units in backward areas, detailed cost studies of industries set up in developed and backward regions are to be made.<sup>16</sup>

The objective of balanced regional development is to increase the levels of income of the people in backward areas. In other words, it means reduction in the disparity in the percentage of workers employed in non-primary sectors. Hence employment generation should be taken as the objective of the incentives administered in backward areas.

The existing incentives like investment subsidy, concessional finance,

<sup>14</sup>*Draft Five Year Plan for 1978-83*, Planning Commission, Government of India, ch. 6, p. 111.

<sup>15</sup>*Ibid.*

<sup>16</sup>M.C. Swaminathan, "Balanced Regional Development and Incentives for Industries", *SEDME* published by SIET Institute, Hyderabad, Volume V, No. 3, December, 1978, p. 10.

etc., are capital oriented and result in expenditure on machinery, spares and skills not available in the backward regions. The primary need is, therefore, to evolve a scheme of incentives that increases employment opportunities to those living in the target regions through labour intensive technologies.<sup>17</sup>

The present economic policies of the government such as low interest rates, investment allowance and the labour laws encourage capital intensive technologies though capital is scarce in developing backward economies. These factors distort the factor prices and result in pressure on the relatively scarce factor, capital, and inadequate demand for the underutilised or abundantly available factor, labour. Since labour is the under employed factor in backward areas, development continues to be slow. For ensuring effective utilisation of labour, pay roll subsidy, *i.e.*, subsidy as a proportion of wages paid, is suggested by Swaminathan.

The empirical studies<sup>18</sup> conducted by the Small Industries Extension Training Institute (SIET) have shown that the existing incentives for industries in backward areas result in the cumulative growth of the bigger settlements within backward districts. It is, therefore, suggested that the smaller settlements in backward areas should get preference over bigger settlements. If interest on capital is lower and if subsidy is higher in smaller places than in bigger settlements, units tend to be set up in smaller areas. If the strategy of development is based on the growth centre approach, the higher order growth centres are to be subsidised at lower rate compared, to the lower order growth centres.<sup>19</sup>

#### DISINCENTIVES IN METROPOLITAN CITIES

Though a number of incentives are offered for the development of backward areas, they may not by themselves bring the desired results for various reasons. Hence the system of incentives for backward areas can be coupled with a system of disincentives for industrial development in large cities. The Wanchoo working group has recommended certain disincentives in the following words:

We recommend that no licences should be issued for establishment of new industrial units in certain demarcated areas in Bombay, Calcutta, Delhi and Madras. We further recommend that, as far as possible, no licences should be issued for substantial expansion of the existing units in congested areas of Calcutta, Bombay, Madras and Delhi, particularly

<sup>17</sup>Swaminathan, *op. cit.*

<sup>18</sup>Impact of Rural Electrification on Rural Industrial Development—A Study of Kurnool District, SIET study cited by Swaminathan.

<sup>19</sup>Swaminathan, *op. cit.*

in Calcutta and Bombay. So far as the State Governments are concerned, we recommend that they should make efforts to deny power supply or charge punitive water and power tariffs for such expansion, so as to induce entrepreneurs to move out of the congested areas upto a radius of about 100 miles where incentives may be offered.<sup>20</sup>

The Nayak Committee also recommended disincentives for large cities. Accordingly, the industrial policy statement of December 23, 1977 stated that "Government have decided that no more licences should be issued to new industrial units within certain limits of large metropolitan cities having a population of more than 5 lakhs as per the 1971 census. State Governments and financial institutions will be requested to deny support to new industries in these areas such as those which do not require an industrial licence. The Government of India would also consider providing assistance to large existing industries which want to shift from congested metropolitan cities to approved locations in backward areas".<sup>21</sup> A total ban may be impracticable. Under certain special cases and compelling technological and economic considerations and considerations of expansion, relaxation of such a policy seems to be justifiable.

#### INCENTIVES AND LARGE AND SMALL SCALE SECTORS

The backward economies in the past saw the gradual increase in the size of the production organisation from handicrafts units to large scale units or giant corporations. But at present many successful industrial ventures in developing areas are subsidiaries or branch establishments of large enterprises belonging to the developed industrial areas. "If the growth of small and medium enterprises does not supplement the establishment of the few large industrial establishments, then those will remain like islands in the sea without any economic diffusion and radiation effect in the area and not induce additional industrial growth".<sup>22</sup> If under the system of sub-contracting, the large industrial units place orders for their requirements or parts on small units in the industrialising areas, it would induce investment in a number of small enterprises which grow around the large

<sup>20</sup>Report of the Working Group on Fiscal and Financial Incentives for Starting Industries in Backward Areas, op. cit., p. 7.

One of the members of the Wanchoo working group Shri S.V. Bhave, Secretary, Industries, Government of Maharashtra, gave a note of dissent on the recommendations for a blanket ban for granting licences. His note of dissent is based on pragmatic and technological considerations.

<sup>21</sup>"Text of Industrial Policy Statement", *Economic Times*, Bombay Edition, December 24, 1977.

<sup>22</sup>Paul No. Rosenstein Rodan, "How to Industrialize An Underdeveloped Area" in, Walter Isارد and John H. Cumberland (ed.), *Regional Economic Planning—Technique of Analysis*, Organisation for Economic Cooperation and Development, p. 207.

establishments. Hence Resenstein Rodan suggested that the incentive payment to large scale units should be made conditional and dependent upon the degree of subcontracting envisaged in the proposed project.<sup>23</sup>

As stated earlier, differential rates of subsidy favouring the small scale units can be expected to mobilise investment in this sector in a backward region. Such differential rates can be related either to the degree of subcontracting or the sizes of investment.

□

### **Forecasting for Economic and Social Change**

In some countries it appears that forecasts are still used to help the government settle its policies and then conveniently forgotten. But there is a growing tendency to incorporate forecasts as part of a published plan of economic and social development. In this way the forecasts, by virtue of official publication, come to possess a degree of commitment by the government. In some countries these published plans, perhaps after ratification by parliament, possess also a juridical or legal force. It is not unknown for firms to have to conform to the features of the plan, in order to qualify for state support. In any case, there is also a reverse effect: the published plan puts a permanent pressure on the executive, which must try to secure that events turn out as it has assumed they will.

Speakers from developing countries, including Mexico, stressed the value, in their situation, of a strong central commitment to planning, which alone could redress the severe regional imbalances and secure that resources were moved under central government pressure to support the most needy areas. In these circumstances, the planning activity was seen as harnessing the popular will to counteract those forces in society which were considered politically or ideologically unsound.

*—Resume of the Discussion at the  
XIVth International Congress of  
Administrative Sciences, 1974,  
at Mexico City.*

<sup>23</sup>Iscard and Cumberland, *op. cit.*

# The Changing Pattern of Bureaucratic Representation: The Case of the Hong Kong Senior Civil Service

John P. Burns

ONE OF the central concerns of public personnel administration is the extent to which bureaucracy is, can, or ought to be representative of society.<sup>1</sup> As usually defined, a 'representative' bureaucracy is composed of all major groups in society. The concept requires that all functional departments and levels within the bureaucracy be staffed by these major groups. Thus, a bureaucracy which employs members of a group in numbers proportionate to their population in society, but with a disproportionately large number in low ranking posts in a small number of departments, would be unrepresentative. The representative character of bureaucracy, then, refers not only to the proportion of the population in the bureaucracy, but also to the level of responsibility and functional distribution of that population. All three categories must be satisfied before the bureaucracy can be said to be 'representative'.

Representativeness is desirable, it is argued, because it results in increased responsiveness of the bureaucracy to society. The nature of the link between passive and active representation, implied in this formulation, is a topic of considerable debate which we will not enter into here.<sup>2</sup>

Bureaucracy cannot be perfectly representative of society, and, indeed if it were possible, a perfectly representative bureaucracy (representing as it would the infirm, infants, and the mentally ill, and so on) would be undesirable. Bureaucracies can, however, be more or less representative, and it is in this sense that the concept has meaning.

It is argued that those territories where democratic political institutions are weakly developed or are nonexistent (a characteristic in particular of colonies) need representative bureaucracies, if liberal political institutions are

<sup>1</sup>S. Krislov, *Representative Bureaucracy*, Englewood Cliffs, New Jersey, Prentice-Hall, 1974. A.D. Larson, "Representative Bureaucracy and Administrative Responsibility", *Midwest Review of Public Administration*, VII, April, 1973, pp. 79-90.

<sup>2</sup>Frank J. Thompson, "Minority Groups in Public Bureaucracies: Are Passive and Active Representation Linked?", *Administration and Society*, 8, August, 1976, pp. 201-226.

to be maintained.<sup>3</sup> Studies of bureaucratic practice in India confirm this hypothesis.<sup>4</sup>

The concept can, therefore, be applied to the British crown colony of Hong Kong, a territory which while it lacks democratic institutions, has a bureaucracy which seeks to govern through consultation and consensus-building. Located on the southeastern coast of China, Hong Kong's population of 5.5 million (98 per cent of whom are ethnically Chinese) is governed by a civil service establishment of 144,000. The civil service dominates Hong Kong government in the absence of any elected legislature or political parties.<sup>5</sup> Although locals in ever increasing numbers are being recruited for senior posts, British expatriates, employed on terms of service, significantly different from local Chinese, have traditionally staffed the senior civil service. The civil service is supervised by the Governor, appointed by the Foreign and Commonwealth Secretary in London; the Chief Secretary; and an Administrative Officer Grade, numbering in 1978 some 207 officers. The government is divided functionally into more than 40 departments, offices, and commissions, the largest being the royal Hong Kong police force, the urban services department, the public works department, and the medical and health department, which together in 1978 constituted nearly 60 per cent of the establishment. These departments report to ten policy and resource branches, headed by secretaries and collectively called the secretariat, which is responsible for policy-making and coordination.<sup>6</sup>

The representative character of Hong Kong's civil service can be measured in terms of the localisation of its bureaucracy, and the role of women in the civil service. Is the Hong Kong civil service ethnically and sexually representative of the population at large? Are locals and women represented in the civil service proportionate to their numbers in society, at all levels of the service, and in the different functional departments? Finally, has the service become more representative of Hong Kong society in the last several years?

To answer these questions, we need to investigate the structure of the service, a task intrinsically interesting if only to discover how and why the public bureaucracy behaves as it does in Hong Kong. Ideally, we should investigate the civil service as a whole, in order to shed light on the structure

<sup>3</sup>V. Subramaniam, "Representative Bureaucracy: A Reassessment", *American Political Science Review*, 61, December, 1967, p. 1013.

<sup>4</sup>*Ibid.*

<sup>5</sup>See N.J. Miners, *The Government and Politics of Hong Kong*, Hong Kong, Oxford University Press, 1977, for a discussion of the political institutions of Hong Kong. Note that in 1978 there was an elected Urban Council. Half of the members of this Council were elected, but the franchise was extremely limited (until 1980), and the scope of its jurisdiction very narrow.

<sup>6</sup>Civil Service Branch, Government Secretariat, *A Report on the Civil Service, 1977-1978*, Hong Kong, Government Press, p. 7.

of public bureaucracy in Hong Kong, and its representative character. Unfortunately, this is not possible from published sources. We will, therefore, confine ourselves to a profile of the senior civil service,<sup>7</sup> because relevant biographic data has only been published for this group.

The senior civil service is, however, interesting in its own right because of its policy-making role in the bureaucracy. It holds considerable power in the Hong Kong political system, which, because it is almost purely administrative, depends to a great extent on the public service. Although many of the senior civil servants are professionals, they have direct influence on the policy process, determining significant policy outcomes. In this sense, they are an important group deserving of special scrutiny.

To anticipate our conclusions, the study found that although the numbers of women have increased slightly from 1974 to 1978 in the senior civil service, still, they occupied only a very small number of posts at this level. They had more years of university education than men, were much less likely to have achieved senior status than men, and if they did, to be older and to have risen in some departments at a slower rate than men. Locals, occupying half of the positions in the samples, also tended to have more years of university education, and to be promoted at a slower rate than expatriates. Those locals who had achieved senior status, however, tended to be younger than expatriates. In short, the senior civil service was not 'representative' of the population of Hong Kong as a whole.

The study examines terms of service (whether expatriate or local), and sex of senior civil servants in Hong Kong and attempts to discover how these two variables were related to changes in the age, educational level, and rate of mobility within the service.

#### METHOD AND DATA BASE

In 1974, the first year for which data were available, the senior civil service consisted of 938 officers, forming slightly less than one per cent of the total service.<sup>8</sup> By 1978, although this senior group had grown to 1,300, it still made up approximately one per cent of the total public service.<sup>9</sup> The salary range for these posts in 1974 was HK \$7,210 to HK \$19,850 per

<sup>7</sup>The 'senior civil service' is here defined as all those civil servants occupying posts at point 46 or above on the master pay scale, or equivalent points and above on one of the other pay scales, i.e., the Judicial/Legal Scale; the Disciplined Services Scale; or the Directorate Scale. The population, then, includes all Directorate or superscale posts, and senior posts on the other three scales. Biographic data for these posts have been published every other year since 1974 in the *Staff Biographies*.

<sup>8</sup>Civil Service Branch, Government Secretariat, *A Report on the Civil Service, 1974-1975*, Hong Kong, Government Press, p. 2.

<sup>9</sup>The size of the total civil service and of the various departments on April 1, 1978, is given in Civil Service Branch, Government Secretariat, *A Report on the Civil Service, 1977-1978*, Hong Kong, Government Press, p. 7.

month.<sup>10</sup> Included in the study were all civil servants at this salary range in 1974 (or the comparable range for 1978), most of whom were on the master pay scale or the directorate pay scale (superscale).<sup>11</sup> A small group, however, were actually on the judicial/legal or disciplined services pay scales, because at this level salaries overlap. The population can, therefore, be described as comprising all those with salaries at point 46 and above on the master pay scale, or equivalent and above on one of the other pay scales.

By rank, the civil servants included in the study were, on the one hand, senior professionals (e.g., at least senior medical and health officers, senior engineers or surveyors, senior housing managers, and senior superintendents of police) and, on the other hand, senior administrators (e.g., directors, commissioners, their deputies, secretaries and their deputies, or, if administrative officers, at least at rank senior administrative officer and higher). The population consists, therefore, either of senior administrators, or, of senior professionals with largely administrative duties.

Using a computer derived random table, random samples of all entries in the *staff biographies, 1974* and *staff biographies, 1978* were used for the the study.<sup>12</sup> In the 1974 sample N=133, they formed about 14 per cent of the population, while in the 1978 sample N=184 again, they were approximately 14 per cent of the population. The composition of the samples by departments differed for the two years, a fact which is itself interesting,

<sup>10</sup>In 1978, the salary range was HK \$9,330 to HK \$23,500 per month. By 1980, the salary range for points 46 to 48 on the master pay scale was HK \$10,400 to HK \$11,200 per month. The directorate pay scale ranged from HK \$11,810 to HK \$26,910 per month. (In August 1980, HK \$1.00=US \$0.20). See Standing Commission on Civil Service Salaries and Conditions of Service, Report of the Commission, *First Report on Civil Service Pay Report No. 2*, Hong Kong, Government Press, October 1979, p. 32; and Standing Committee on Directorate Salaries and Conditions of Service, Report of the Committee, *Sixth Report of the Standing Committee on Directorate Salaries and Conditions of Service*, Hong Kong, Government Press, November 1977, p. 15. As this article was being written, the master pay scale uppermost limit was extended from point 48 to point 51, and officers on the directorate pay scale had their salaries revised upwards to a maximum of HK \$33,000 per month.

<sup>11</sup>The Hong Kong civil service is employed on four major pay scales. The master pay scale (ranging from points 1 to 48 in 1978 and points 1 to 51 in 1980) is the general scale on which can be found most white-collar civil servants, and in 1978, there were 55,324 civil servants employed on it (out of a total strength of 115,671). Other major pay scales include: the directorate pay scale; the disciplined service pay scale; and model I pay scale. In 1978, 561 civil servants were employed on the directorate pay scale (from point 1 to 12 in 1978 and point 1 to 8 in 1980). The 34 point disciplined services pay scale employed 23,297 civil servants in 1978. And manual labourers, or 'minor staff', made up the bulk of model I scale employees, and accounted for 36,389 civil servants in 1978.

<sup>12</sup>The *Staff Biographies*, published every two years since 1974 includes the following data: date of birth, present position, previous posts held in the Hong Kong civil service, dates of posting, leave dates, educational qualifications, professional qualifications, and, if expatriate, perhaps previous postings held outside of Hong Kong. *Staff Biographies* is a publication of the Government secretariat.

for it reflects changed recruitment and promotion priorities in the service. The 1974 sample was dominated by professionals employed in public works (31.6 per cent) and medical and health (15.8 per cent). By 1978, however, while these two departments still claimed the largest share of senior posts,

SENIOR CIVIL SERVICE\* SAMPLE BY DEPARTMENT, 1974

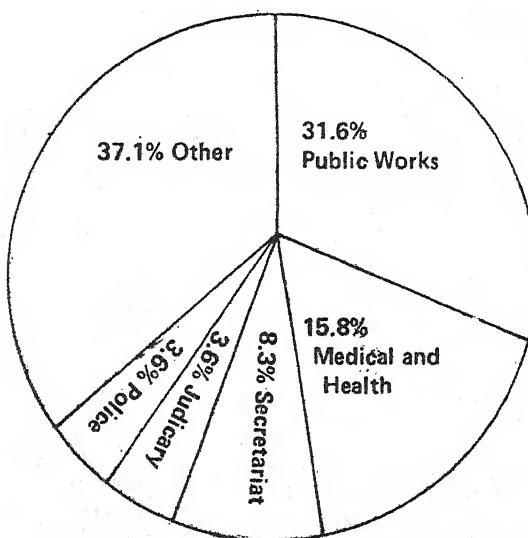


FIG. 1

Other (N in brackets):

Education (4)  
Rating and Valuation (4)  
Marine (4)  
Civil Aviation (4)  
Legal (4)  
Inland Revenue (3)  
Registrar General (3)  
Housing (3)  
Social Welfare (3)  
Treasury (2)  
Audit (2)  
New Territories Administration (2)

Home Affairs (1)  
Urban Services (1)  
Fire Services (1)  
Labour (1)  
RTHK (1)  
Customs and Industry (1)  
Legal Aid (1)  
Information Service (1)  
London Office (1)

\*Point 46 and above on the master pay scale; or equivalent and above on other pay scales.

Population: 938. N=133.

SOURCE : Government Secretariat, *Staff Biographies*, 1974, Hong Kong, Government Press.

the public works share of the sample (20 per cent) was considerably reduced. Other large components of the 1974 sample included those employed by the secretariat, the judiciary and the police. In the 1978 sample, however, the secretariat's contingent was substantially reduced. The police and the judiciary figured prominently in the 1978 sample, in addition to two newcomers, education and housing. The 'other' category was also

SENIOR CIVIL SERVICE\* SAMPLE BY DEPARTMENT, 1978

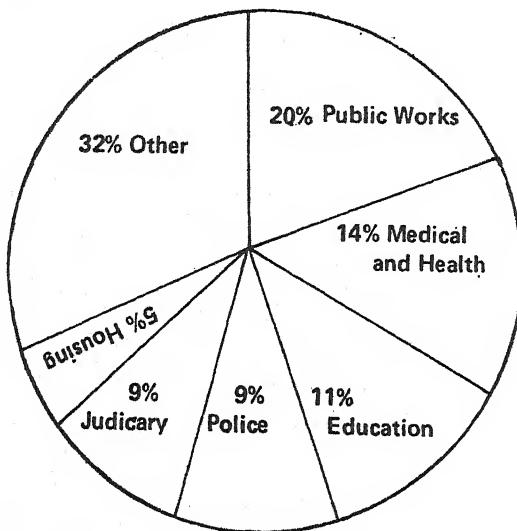


FIG. 2

## Other (N in brackets):

Secretariat (8)	Labour (2)
Inland Revenue (6)	Military (2)
Civil Aviation (4)	Social Welfare (1)
Census and Statistics (3)	Marine (1)
Rating and Valuation (3)	Immigration (1)
Trade, Industry and Commerce (3)	Agriculture and Fisheries (1)
Post Office (3)	Government Labs (1)
Registrar General (2)	Information Services (1)
Prisons (2)	Audit (1)
Legal (2)	Home Affairs (1)

\*Point 46 and above on the master pay scale, or equivalent and above on other pay scales.

Population : 1300. N=184.

SOURCE : Government Secretariat, *Staff Biographies*, 1978, Hong Kong, Government Press.

considerably reduced by 1978. Thus, while public works had the most senior staff, its percentage has fallen in recent years, with more senior posts going to social services, like education and housing. Although the senior posts were widely dispersed among different departments in 1974, they had become more concentrated in a few areas by 1978.

I have singled out the six departments most prominently represented in the samples (public works, medical and health education, police, judiciary, and housing) for detailed examination below. The secretariat, which figured prominently in the 1974 sample, was not included in the comparison because of its small showing in the 1978 sample. In addition, the 1974 sample under-represents the education department (it occupied 8.3 per cent of the population in 1974, not the 3.0 per cent it occupied in the sample). Education is, therefore, included as well as housing for the sake of comparison.

Although the 1974 sample represents 14 per cent of the population, the samples for some departments (education, police, judiciary and housing), were too small to be significant. Therefore, in each table presented below, figures for the whole population of senior civil servants in these departments were substituted for the 1974 sample. All other figures, however, are based on random samples of the relevant populations.

We turn now to a detailed examination of the data highlighting the six largest departmental representatives in the samples to discover how the composition of the civil service has changed from 1974 to 1978.

#### PROFILE OF THE SENIOR CIVIL SERVICE

The data will be examined first by sex and terms of service, before looking at average age, age at entry into the service in Hong Kong, university education, and rate of mobility.

##### Sex

While women were 20.0 per cent of the whole civil service in 1974, and 31.8 per cent of all civil servants on the master pay scale,<sup>18</sup> they formed only 3.8 per cent of the 1974 sample of senior civil servants. Women increased their share of senior posts in the 1978 sample to 6.5 per cent.

The 1974 sample slightly understates the actual picture, however (women in 1974 occupied 4.7 per cent or N=44 of the whole population), while the 1978 sample slightly overstates the situation four years later (women in 1978 occupied 5.5 per cent or N=71 of the whole population). The improvement we noticed above, then, is overstated in the samples. From 1974 to 1978 less than one per cent more women were occupying senior posts.

<sup>18</sup>In 1978 women made up 21.7 per cent of the whole civil service and 31.7 per cent of all civil servants on the master pay scale. See *A Report on the Civil Service, 1974-1975*, and *A Report on the Civil Service, 1977-1978*.

TABLE 1 SENIOR CIVIL SERVICE\* BY SEX, 1974-1978

(Percentage, N in brackets)

	Men		Women	
	1974	1978	1974	1978
Total	96.8 (128)	93.5 (172)	3.8 (5)	6.5 (12)
Own Sex in Civil Service	1.2 (76,850)	0.2 (90,627)	0.2 (19,341)	0.04(25,044)
Public Works	100.0 (42)	100.0 (36)	0	0
Medical and Health	83.8 (129)	83.0 (20)	16.2 (25)	17.0 (4)
Education	89.1 (49)	75.0 (15)	10.9 (6)	25.0 (5)
Police	100.0 (46)	100.0 (16)	0	0
Judiciary	100.0 (36)	100.0 (16)	0	0
Housing	90.9 (20)	100.0 (10)	9.1 (2)	0

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

All data drawn from random samples, except 1974 data for education, police, judiciary, housing, and women. Data for these departments and groups comes from the whole population.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

In neither 1974 nor 1978 did women occupy senior posts in the samples of public works, police, or judiciary. Although they appear to have declined in housing from 9.1 per cent to zero, this may be due to sampling error. In any event, they occupied very few senior posts in the housing department in either 1974 or 1978. The picture was reversed in medical and health and education, however. Women have occupied a steady 16 to 17 per cent in medical and health, and have increased their share of posts in education, so that by 1978 they formed one quarter of the education sample.

The conclusion that the senior civil service was almost completely dominated by men is inescapable. It could be argued, however, that there were fewer women at senior levels because fewer women entered the service. That is, if differential entry rates are controlled, we will find that the same proportion of each sex group achieved senior status. This is not the case, however, as can be seen from Table 1. The percentage of female civil servants who achieved senior status in the 1974 sample (0.20 per cent) was much smaller than the comparable percentage for males (1.20 per cent). That is, in 1974, men were six times more likely to have achieved senior status than women.<sup>14</sup>

<sup>14</sup>These figures take women who now occupy positions of senior status as a percentage of all women now in the civil service. More interesting would be the percentage which these senior women were of all women in the civil service when they entered the service, from 12 to 18 years ago. It is clear, however, that the percentage of women in the service as a whole, after remaining at about 16 per cent for many years (1967 to 1971) has gradually grown to the 21.7 per cent which it was in 1978. See *A Report on the Civil Service*, published annually by the Government Secretariat for the years 1967 to 1978.

Men still did much better than women in 1978, although by 1978 men were only five times more likely to have achieved senior status than women. In 1978, 0.2 per cent of all male civil servants had achieved senior status, while only 0.04 per cent of all female civil servants had achieved this position. Thus, not only did men dominate the senior civil service, but a much larger percentage of all male civil servants had achieved senior status. But, as we saw, this differential appears to be declining.

For both men and women the likelihood of achieving senior status declined markedly by 1978. Men were six times more likely to have achieved senior status in 1974 than in 1978. Women were five times more likely in 1974 than in 1978. Thus, the likelihood of having achieved senior status declined more steeply for men than for women from 1974 to 1978.

#### *Terms of Service*

While 97.5 per cent of the civil service was employed on local terms in 1974,<sup>15</sup> only 41.4 per cent of the senior civil service sample was employed on local terms at the same time. By 1978, however, locals occupied 51.7 per cent of senior posts in the sample, an increase of more than 10 per cent. The 1974 sample consisted of 38.3 per cent local males and 3.1 per cent local females. Both categories increased substantially by 1978, with the percentage of local women nearly doubling (from N=4 to N=11 in the samples). And by 1978, local women occupied many more senior posts in

TABLE 2 SENIOR CIVIL SERVICE\* BY TERMS OF SERVICE, 1974-1978  
(SUMMARY)

	<i>Locals</i>		<i>Expatriates</i>		<i>(Percentage)</i>
	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>	
Whole	41.4	51.7	58.6	48.3	
Public Works	40.5	55.6	59.5	44.4	
Medical and Health	85.7	87.5	14.3	12.5	
Education	29.1	70.0	70.9	30.0	
Police	4.4	25.0	95.6	75.0	
Judiciary	16.7	25.0	83.3	75.0	
Housing	59.1	60.0	40.9	40.0	

\*Point 46 and above on master pay scale, or equivalent and above on other pa / scales.

All data drawn from random samples, except 1974 data for education, police, judiciary, and Housing. Data for these departments come from the whole population.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

<sup>15</sup>Government Secretariat, *A Report on the Civil Service, 1974-1975*, Hong Kong, Government Press.

TABLE 2.1 SENIOR CIVIL SERVICE\* BY TERMS OF SERVICE, 1974

	Total†	PWD†	M&H†	ED	POL	JUD	HD
Local Men	38.3(51)	40.5(17)	76.2(16)	25.5(14)	4.4 (2)	16.7 (6)	50.0(11)
Local Women	3.1 (4)	—	9.5 (2)	3.6 (2)	—	—	9.1 (2)
Locals	41.4(55)	40.5(17)	85.7(18)	29.1(16)	4.4 (2)	16.7 (6)	59.1(13)
Expatriate Men	57.9(77)	59.5(25)	9.5 (2)	63.6(35)	95.6(44)	83.3(30)	40.9 (9)
Expatriate Women	.7 (1)	—	4.8 (1)	7.3 (4)	—	—	—
Expatriates	58.6(78)	59.5(25)	14.3 (3)	70.9(39)	95.6(44)	83.3(30)	40.9 (9)
Total	100(133)	100(42)	100(21)	100(55)	100(46)	100(36)	100(22)

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

†From sample.

SOURCE: Government Secretariat, *Staff Biographies, 1974*, Hong Kong, Government Press.

TABLE 2.2 SENIOR CIVIL SERVICE\* BY TERMS OF SERVICE, 1978

	Whole Sample	PWD	M&H	ED	POL	JUD	HD
Local Men	45.7(84)	55.6(20)	70.8(17)	45.0 (9)	25.0 (4)	25.0 (4)	60.0 (6)
Local Women	6.0(11)	0	16.7 (4)	25.0 (5)	0	0	0
Locals	51.7(95)	55.6(20)	87.5(21)	70.0(14)	25.0 (4)	25.0 (4)	60.0 (6)
Expatriate Men	47.8(88)	44.4(16)	12.5 (3)	30.0 (6)	75.0(12)	75.0(12)	40.0 (4)
Expatriate Women	.5 (1)	0	0	0	0	0	0
Expatriates	48.3(89)	44.4(16)	12.5 (3)	30.0 (6)	75.0(12)	75.0(12)	40.0 (4)
Total	100.0(184)	100.0(36)	100.0(24)	100.0(20)	100.0(16)	100.0(16)	100.0(10)

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

SOURCE: Government Secretariat, *Staff Biographies, 1978*, Hong Kong, Government Press.

medical and health and education than they did in 1974. The increase in the education sample was particularly great.

Although there were considerably more expatriate males than local males in 1974, by 1978 the number of senior local and expatriate males was nearly equal. There were very few expatriate females in the samples of either population, and, as a result, they have not been specifically tabulated.

Of the six departments employing the most civil servants in the samples, medical and health had the highest proportion of locals in both 1974 and 1978—a figure that improved slightly for locals during the four years. Locals occupied about 60 per cent of senior posts in the housing department, changing little from 1974 to 1978. The public works department came third in 1974 with 40 per cent of senior posts in local hands, a position that changed considerably by 1978, when locals then had 55.6 per cent of senior public works posts in the sample.

Locals employed by the education department experienced the most startling change. In 1974, they occupied only 29 per cent of senior posts, but by 1978 they occupied 70 per cent of the education sample, a complete reversal. Large increases for locals also occurred in the police and judiciary with locals coming to occupy one quarter of senior posts in the 1978 sample of these two departments. The increase in the police was especially great—a jump of from 4.4 per cent to 25 per cent of senior posts in four years.

The Tables 2, 2.1 and 2.2 indicate, then, that expatriates were occupying fewer senior posts by 1978 than just four years before. The change was most dramatic in the education sample. Among locals, local women gained in both education and medical and health. We now turn to an examination of the other variables—average age, age at entry, university education, and rates of mobility.

#### *Age*

The average age of civil servants on achieving senior status changed little from 1974 to 1978, averaging just over 44 years. Average age for men, women, locals and local men remained generally unchanged during these years, increasing only for expatriates and local women (see Table 3).

Women were older than men in both samples on achieving senior status, a differential that remained over time. Expatriates were older than locals, a differential that widened during the four years as locals achieved senior status at younger ages. If we exclude expatriates, local women were older than local men and, indeed, by 1978 local women were three years older than local men by the time they achieved senior status.

By department, civil servants achieving senior status tended to be the oldest in the judiciary and in education, and the youngest in medical and health and in housing. There was a 10 year spread between senior civil servants in the judiciary and those in medical and health and housing in 1974, a gap which narrowed by 1978 as the average age for the senior judiciary

fell. In general, average age on achieving senior status declined in the sampled departments, with one notable exception, the education department, where it increased by one year. The average age for both men and women increased in education, slightly more for men and quite substantially for local men, an increase for them of three years.

Locals in the sampled departments tended to be younger than expatriates, with some notable exceptions (expatriates were younger in 1974 in medical and health, and in 1978 in housing.) The age gap between locals and expatriates was wider in some departments than in others. It was especially marked in the 1974 samples of public works, judiciary, and housing, and in the 1978 data again for public works, the judiciary and, by this time, medical and health. Indeed, in public works and medical and health, the gap widened during the four years. In all other departments sampled the gap between the average age of locals and expatriates narrowed, and was the smallest in the education department. From 1974 to 1978 in education the average age of locals increased, while it declined for expatriates, so that by 1978 their average ages were less than a year apart.

If we exclude expatriates from the two departments employing local women in the sample, we see that local women tended to be older than local men on achieving senior status in the medical and health department, where although average ages fell for both, they fell faster for men. In education, although local women were older than local men in 1974, the position was reversed by 1978, as the average age of local men increased substantially.

Table 4 summarises the data by age cohort, indicating that in both years over 60 per cent of the samples were under fifty years of age by the time they had achieved senior status. There was a substantial increase in the number of civil servants in the 30 to 39 year cohort, accompanied by a large drop in the next two cohorts, confirming that civil servants were achieving senior status at a younger age by 1978. The drop in the 45 to 49 year cohort was especially marked, and probably cannot be explained only by the declining average age on achieving senior status. The decline may be the result of, on the one hand, a recruitment gap, as the service has grown,<sup>16</sup> and, on the other hand, the localisation policy now being pursued by government. As more locals are hired and promoted to senior posts, we can expect increasing numbers in the 45 to 49 year cohort.

The 50 to 54 year cohort increased from 1974 to 1978 as those in the 45 to 49 year cohort were promoted. With the recruitment age dropping, then, the numbers of civil servants in the 45 to 49 year cohort registered a decline.

Locals were concentrated in the younger cohorts while expatriates dominated the older groups. The change in the composition of the 45 to 49 year

<sup>16</sup>See civil service branch, government secretariat, *Personnel Statistics, 1975* (mimeographed), especially table 1.1 for the growth rate from 1966 to 1975.

TABLE 3 SENIOR CIVIL SERVICE\* BY AVERAGE AGE, 1974-1978

	<i>Total</i>		<i>Men</i>		<i>Women</i>		<i>Local</i>		<i>Local</i>	
			1974	1978	1974	1978	1974	1978	1974	1978
	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978
Average Age	44.6	44.7	44.7	44.4	45.4	45.9	43.2	43.4	45.6	46.2
Public Works	44.5	43.5	44.5	43.5	—	—	42.0	41.4	46.2	46.1
Medical and Health	44.9	42.4	45.1	42.3	46.1	43.0	45.4	41.5	42.3	49.7
Education	48.3	49.3	48.3	49.4	48.0	48.8	46.6	49.4	49.1	48.8
Police	47.8	44.4	47.8	44.4	—	—	50.5	40.5	47.7	45.9
Judiciary	54.4	51.8	54.4	51.8	—	—	46.2	49.0	56.0	52.8
Housing	44.1	43.9	44.3	43.9	42.0	—	40.9	46.0	48.7	40.6

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

All data drawn from random samples, except 1974 data for education, police, judiciary housing and women. Data for these groups come from the whole population.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

TABLE 4 SENIOR CIVIL SERVICE\* BY AGE COHORT, 1974-1978

	<i>Total</i>		<i>Local</i>		<i>Expatriate</i>		<i>Men</i>		<i>Women</i>		<i>(Percentage)</i>	
	<i>1974</i>		<i>1978</i>		<i>1974</i>		<i>1978</i>		<i>1974</i>			
	<i>1978</i>	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>	<i>1974</i>		
30-39	21.1	26.9	64.3	63.3	35.7	36.7	100.0	93.9	0	0	6.1	
40-44	26.3	22.5	44.1	48.8	55.9	51.2	88.6	97.6	11.4	2.4	2.4	
45-49	30.8	20.3	22.0	62.2	78.0	37.8	92.6	89.2	2.4	10.8	10.8	
50-54	18.0	22.0	45.8	37.5	54.2	62.5	100.0	90.0	0	0	10.0	
55-59	2.3	7.1	33.3	30.8	66.7	69.2	100.0	100.0	0	0	0	
60-64	1.5	0.6†	50.0	100.0†	50.0	0	100.0	100.0†	0	0	0	
65-69	0	0.6†	0	0	0	100.0†	100.0†	0	0	0	0	

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

†One officer.

Data come from random samples of the relevant populations.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

cohort was the most marked, with locals coming to dominate it. As more locals have been recruited into the service this trend is to be expected. That is, they will gradually displace expatriates in the older cohorts.

Men dominated the youngest and oldest cohorts, while women were concentrated in 1974 in the 40 to 44 year cohort. By 1978, however, women were represented in older cohorts as they were promoted to senior posts. Women tended to be concentrated in the 45 to 54 year age brackets, with relatively fewer women than men achieving senior status at a younger age from 1974 to 1978. The number of women in the 30 to 39 year cohort has, however, increased during this time.

It is tempting to conclude from these results that those groups with older average ages were promoted more slowly. In general, women and expatriates were older on achieving senior status, and, therefore, for these two groups, promotions and upward mobility were apparently slower. This conclusion cannot be drawn, however, without first examining age of entry into the service. If women and expatriates were older when they entered the service, it is reasonable to expect that they would be older on achieving senior status.

Table 5 indicates that in both 1974 and 1978 expatriates were up to six years older than locals. Women, however, were considerably younger than men when they began their civil service careers, but were older by the time they achieved senior status. The difference was particularly marked in the entry age of men and women in the education department. In the medical and health department, on the other hand, there was little difference, with women being slightly younger in 1974 and slightly older in 1978.

These figures, however, include expatriate males, who raise the average entry age of the sample of males. Indeed, in both 1974 and 1978 expatriates as a whole tended to be considerably older than locals on entry, particularly in the public works and housing department samples, where the gap between the locals and expatriates widened over time, as the entry age of locals fell. The expatriate-local age differential at entry was lowest in the judiciary.

If we exclude expatriates, the differential between males and females at the age of entry disappears for the samples as a whole. Local women who achieved senior status were about the same age as local men when they entered the service. Yet it took women on average between two and three years longer to achieve senior status in both the 1974 and 1978 samples (see Table 3).

The average age of entry into the civil service dropped from 1974 to 1978 for the samples a whole, a decline that was the greatest in medical and health. All departments, however, except judiciary, registered a decline in the age of entry. Although this was the overall trend, there were important variations.

First, average age of entry for locals declined more rapidly than for expatriates. Indeed the average age of entry for expatriates declined only

TABLE 5 SENIOR CIVIL SERVICE\* BY AVERAGE AGE AT ENTRY, 1974-1978

	<i>Total</i>		<i>Men</i>		<i>Women</i>		<i>Local</i>		<i>Expatiate</i>		<i>Local</i>		<i>Men</i>		<i>Women</i>	
	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978
Average Age	31.2	29.8	31.3	30.0	29.3	27.3	28.5	26.6	33.1	33.2	28.7	26.6	28.7	26.5	—	—
Public Works	31.6	29.8	31.6	29.8	—	—	27.9	25.3	34.2	35.7	27.9	25.3	—	—	—	—
Medical and Health	31.6	27.8	31.6	27.8	30.3	28.0	31.1	27.3	34.7	31.3	31.4	27.2	29.6	28.0	—	—
Education	31.0	29.0	31.2	29.9	28.8	26.0	28.2	27.6	32.2	32.0	28.4	28.6	26.5	26.0	—	—
Police	26.2	24.6	26.2	24.6	—	—	25.0	21.3	26.3	26.7	25.0	21.3	—	—	—	—
Judiciary	37.3	38.2	37.3	38.2	—	—	35.8	36.3	37.6	38.8	35.8	36.3	—	—	—	—
Housing	31.1	30.2	31.6	30.2	27.0	—	28.2	26.0	35.4	36.5	28.4	26.0	27.0	—	—	—

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

All data drawn from random samples, except 1974 data for education, police, judiciary, housing and women. Data for these groups come from the whole population.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

in medical and health, and increased or remained unchanged in all other departments. Secondly, while in general the average age of entry for local men and women declined, the average age of local men on entry to medical and health declined more rapidly than for local women. Indeed by 1978 local women were slightly older on entry than local men, going against the general trend we identified earlier.

Thirdly, the figures for the education department show some internal variation. For the department as a whole, from 1974 to 1978 the average age of entry declined. And the figures for both men and women reflect this decrease. The average age of locals at entry, especially of local women, also declined slightly. These were categories that grew the fastest from 1974 to 1978, as the education department became more localised at senior levels (see Table 2), and more women achieved senior status in the department (see Table 1). We see, therefore, that although the average age at entry for expatriates remained unchanged, and for local men even increased slightly, the overall effect in the education department coincided with the general trend.

Fourthly, the average age of entry into the judiciary increased since 1974, a result which also runs counter to the general trend of decreasing average age of entry identified above. Average age of entry for both locals and expatriates who achieved senior status in the judiciary increased uniformly from 1974 to 1978.

In the civil service, then, the recruiting age for men and women, especially for locals, was declining. Yet, in both 1974 and 1978, women were older than men on achieving the senior status. Little change, however, can be detected in the average age of entry of expatriates, who, as a group, tended to be older on entry and, thus, older on achieving senior status.

I turn now to measures of educational level, before examining the differential rates of mobility which are implied by the data on average age.

#### *University Education*

The structure of the senior civil service also includes its educational level, here measured in terms of years of university education.<sup>17</sup>

It would in principle be possible to construct a table measuring the professional qualifications of the sample, also a component of the educational background of the civil service. Determining equivalences of various professional qualifications is a major problem, however. In the sample, all

<sup>17</sup>Table 6 is constructed by assigning numbers of years for completed university degrees, diplomas, and certificates. These years were assigned after a series of interviews with specialists in each field familiar with university education in their professions. The table does not include years spent at university if no degree was taken, nor does it include professional qualifications (which may be equivalent to a university obtained qualification). Finally, years spent in clinicals, pupillages, or other types of on-the-job training, were also excluded from the table.

civil servants were professionally qualified, a result not surprising because points 46 and above on the master pay scale, and junior positions on the directorate pay scale are designated for senior professionals. Educational differences, then, can more clearly be seen by separating university educational levels from professional qualifications. Why this is significant will become apparent below.

Table 6 indicates that by 1978, senior women had almost twice as many years of university education as men, and that locals were more educated than expatriates. Even if we exclude the most educated group, doctors and dentists, the differentials remain for both 1974 and 1978. When expatriates were excluded, local men did better, but the educational differential between local men and local women remained for both samples in general. Only in medical and health in 1974 did local women have fewer years of university education than did local men. By 1978, this picture was reversed. In education in both 1974 and 1978, differences between local men and local women were negligible.

The figures not surprisingly indicate that for both samples civil servants in medical and health had the most years of university education, followed by those in education, and the judiciary. Years of university education were comparatively low in both 1974 and 1978 in public works and housing, and negligible in the police.<sup>18</sup>

Years of university education changed little from 1974 to 1978 for the samples as a whole. Educational levels increased in education and medical and health, but declined rather sharply in the housing department sample. In housing, years of university education declined for both locals and expatriates, but the decline was larger for locals. Years of university education also declined for both locals and expatriates in public works among the samples of those who had achieved senior status by 1978. The data indicate, then, that intake of university graduates into these departments has declined proportionate to a vastly greater intake from non-university sources.

### *Mobility*

The fact that women on entry into the service were younger, yet they took longer to achieve senior status, should be reflected in a slower rate of mobility. To investigate mobility within the senior civil service, a mobility index was constructed, converting points on the master pay scale and other scales into monthly salary equivalents. The difference between entry point salary and point 46 salary was computed and then divided by 1000 to make the figure manageable. The result was then divided by the number of years in the service to achieve point 46 status, providing a measure of salary

<sup>18</sup>Although no policemen in the sample had a university obtained degree or qualification, other policemen in the population did have university education. For this reason, the figure for senior police officers should be interpreted as 'negligible'.

TABLE 6 SENIOR CIVIL SERVICE\* BY YEARS OF UNIVERSITY EDUCATION, 1974-1978

Average Years excluding Medi- cal and Health Public Works	<i>Total</i>		<i>Men</i>		<i>Women</i>		<i>Local</i>		<i>Expatriate</i>		<i>Local Men</i>		<i>Local Women</i>		
	1974		1978		1974		1978		1974		1978		1974		
	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978	
Average Years	2.2	2.1	2.0	3.3	3.9	3.1	2.7	1.5	1.5	3.1	2.6	3.3	3.9		
Medical and Health	1.7	1.8	1.7	1.7	3.0	3.4	2.4	2.1	1.4	1.4	2.4	2.0	2.5		3.3
Public Works	2.0	1.9	2.0	1.9	—	—	3.0	2.8	1.2	0.8	3.0	2.8	—	—	—
Medical and Health	4.5	4.7	4.5	4.7	3.5	5.0	4.5	4.8	4.6	4.3	4.3	4.7	3.6		5.0
Education	3.3	3.9	3.3	3.8	4.0	4.0	3.8	4.0	3.2	3.5	3.8	4.0	4.0		4.0
Police	0.1	0	0.1	0	—	—	0	0	0.1	0	0	0	—	—	—
Judiciary	2.1	2.1	2.1	2.1	—	—	1.5	1.5	2.2	2.3	1.5	1.5	—	—	—
Housing	1.8	0.8	1.8	0.8	2.0	—	2.2	0.7	1.3	1.0	2.2	0.7	2.0		

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

All data drawn from random samples, except 1974 data for education, police, judiciary, housing, and women. Data for these groups come from the whole population.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

increment per year.

$$\text{Index} = \frac{\text{Point 46 salary} - \text{entry salary}}{1000} \times \frac{1}{\text{Years to achieve point 46 status}}$$

The 1978 salary scale differentials were used for both 1974 and 1978 so that the index measured mobility and not change in the differential between ranks on the scale over time. Quick upward mobility was reflected in figures over 1.00 in Table 7. The highest mobility rate was for expatriates in the housing department, who, in 1978, had a rate of 2.73.

Women and locals had lower rates of mobility than did men and expatriates respectively in both 1974 and 1978. When expatriates were excluded, the rate of mobility for both men and women dropped slightly during both years, but the differential remained. Among the departments, upward mobility was slowest for both years in education and the police, and fastest in housing and the judiciary. Men were promoted more rapidly than women in medical and health, and at about the same rate as women in education. Again, when expatriates were excluded, local men were promoted more rapidly than local women in both medical and health and in education. By terms of service, expatriates were more upwardly mobile in every department in the study, except education. And indeed, in housing and the judiciary, expatriate promotions were very much faster than in any other department included in the study.

From 1974 to 1978 rates of mobility increased slightly in every general category, except for women. This is because expatriate females were included in the 1974 data, but not in the 1978 sample. Had the entire population of women been included for 1978, the mobility rate for women in that year would probably have been slightly higher.<sup>18</sup>

Rates of mobility have increased, at least slightly, in every department except education, where they have fallen for the department as a whole. (Note that mobility also fell for expatriates in medical and health, and fell for locals in housing). The largest decline in mobility in the education department was experienced by expatriates, a decline that pulled down the mobility figures for all men in the department. Figures for all women, and local men and local women, remained generally unchanged, however. Mobility in the education department, then, was much slower than in other departments.

Rates of mobility for expatriates in medical and health also dropped from 1974 to 1978. At the same time, the number of expatriates in the department fell, not, however, as dramatically as in education. Still expatriates in medical and health had a higher rate of mobility than locals in 1978.

The differentials between men and women, locals and expatriates remained

<sup>18</sup>There were 58 expatriate females in the 1978 population, or 4.5 per cent of the total.

TABLE 7 SENIOR CIVIL SERVICE\* BY MOBILITY INDEX, 1974-1978

	Total		Men		Women		Local		Expatriate		Local		Local	
	1974		1978		1974		1978		1974		1978		1974	
Total	.71	.73	.72	.74	.52	.47	.51	.58	.86	.91	.52	.60	.41	.43
Public Works	.65	.67	.65	.67	—	—	.52	.59	.74	.78	.52	.59	—	—
Medical and Health	.57	.67	.56	.70	.43	.54	.51	.65	1.03	.78	.52	.68	.41	.54
Education	.37	.33	.38	.34	.31	.33	.39	.37	.36	.29	.39	.40	.32†	.33
Police	.39	.47	.39	.47	—	—	.30	.35	.39	.51	.30	.35	—	—
Judiciary	1.10	1.32	1.10	1.32	—	—	.84	.90	1.15	1.47	.84	.90	—	—
Housing	.75	1.41	.79	1.41	.42†	—	.59	.53	1.18	2.73	.62	.53	.42†	—

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

†N=1; ‡N=2

The Index is constructed by dividing the "difference in entry point salary from point 46 salary by the years elapsed between entry and achieving point 46 status. It measures, then, salary increase per year.

All data drawn from random samples, except 1974 data for education, police, judiciary, housing and women. Data for these groups comes from the whole population.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

the same relatively over time. The mobility index increased more rapidly for locals as a whole than for expatriates, however, from 1974 to 1978. Yet in absolute terms, the rate in both years was lower for locals than for expatriates for the samples as a whole, and in each department, except education. If we exclude expatriates, however, the rate of increase for local men was better than for local women. Local men gained 0.08 while local women gained 0.02 between 1974 and 1978. Once again, local women were doing less well than local men.

It may have been that promotions for locals and women were slower because they lacked relevant job experience. This was tested by holding constant the entry point within each department. That is, for example in public works, disregarding the fact that some civil servants were recruited as apprentice (later student) engineers, while others were recruited as engineers, did it take the same length of time for all those at engineer rank to be promoted to senior engineer rank? These figures were calculated for some departments where such comparisons were feasible.<sup>20</sup> They were not feasible for the samples as a whole because some departments relied on transferring personnel from other departments (for example, transferring crown counsels from the legal department into the judiciary). The results are presented in Table 8. Note that they are only comparable within departments, and not between departments.

Table 8 indicates that even when the entry point was held constant in both 1974 and 1978, women took slightly longer in medical and health and

TABLE 8 SENIOR CIVIL SERVICE\* BY AVERAGE YEARS TO POINT 46,  
1974-1978  
(Entry point held constant within each department.)

	Public Works		Medical and Health		Education		Police	
	1974	1978	1974	1978	1974	1978	1974	1978
Men			7.9	7.7	10.4	9.9		
Women			9.8	7.8	14.7	11.2		
Local	7.4	6.8	7.9	8.0	9.1	10.1	7.0	6.2
Expatriate	6.4	5.1	4.0†	7.0	11.4	10.7	7.3	6.2
Local Men			7.8	7.8	9.0	9.4		
Local Women			10.1	7.8	10.1	11.2		

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

†N=1

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

<sup>20</sup>The following ranges were used in each of four departments: public works (engineer to senior engineer); medical and health (medical and health officer to senior medical and health officer); education (education officer to senior education officer); and police (superintendent to senior superintendent).

considerably longer in education to achieve senior status. This result was duplicated when expatriates were excluded. Locals also required more time to achieve senior status in public works and medical and health. The position of locals was reversed, however, in education, where expatriates took slightly longer to achieve senior status. In the police there was little difference between locals and expatriates.

In general, the average number of years to achieve point 46 with the entry point held constant has declined,<sup>21</sup> except for education. From 1974 to 1978, in the education department it took longer to be promoted from education officer to senior education officer or its equivalent salary rank for locals as a group. Expatriates in education, on the other hand, required less time to be promoted from education officer to senior than they did in 1974. Yet overall rates of mobility for expatriates have fallen from 1974 to 1978 in education (see Table 7). Thus, expatriates not appointed directly into the service as education officers (that is, appointed below this rank), required more time than did locals to achieve education officer status. These expatriates pulled down the rate of mobility for all expatriates in the education department.

Tests of mobility, holding constant education, professional qualifications, and experience have yet to be constructed. The chief difficulty of such an exercise based on random samples is that the N in each category is so small that no significant conclusions are possible. Secondly, the previous experience of expatriates, before they arrived in Hong Kong, is often not published in the *Staff Biographies*, making the construction of such tables difficult. Finally, because officers at this senior rank are all professionally qualified, assigning differential values to these qualifications would be extremely difficult and, undoubtedly, very arbitrary.<sup>22</sup>

The senior civil service profile is summarised by department in Table 9. Several tentative conclusions can be drawn from this exercise. First, by 1978, the education and medical and health departments were the most integrated at senior levels, measured in terms of our variables. Women were more numerous in these two departments than in others at senior levels. Women also appeared to be more well integrated into these departments in terms of age, university education, and mobility rates. By 1978, the differences between men and women on these measures were less than the difference between the samples of 1974 and 1978 as a whole. That is, men and women tended to be about the same age on entry, and about the same age by the time they had achieved senior status; to have had similar university educational attainments; and to have risen to senior status with

<sup>21</sup>Expatriates in medical and health in 1974 were also an exception. This, however, is based on N=1, and is thus statistically insignificant.

<sup>22</sup>The entire population of *Staff Biographies* is being computerised at the University of Hong Kong, which will make more sophisticated analysis of the data possible at some future date.

TABLE 9 SUMMARY OF THE SENIOR CIVIL SERVICE\*, 1974-1978

	Sex (percentage)		Terms of Service (percentage)		Average Age at Entry		Years of University Education		Mobility Index	
	Men		Local		Expatiate					
	1974	1978	1974	1978	1974	1978	1974	1978	1974	1978
Whole	95.3	93.5	4.7	6.5	41.4	51.7	58.6	48.3	44.6	44.7
Public Works	100.0	100.0	0	0	40.5	55.6	59.5	44.4	44.5	43.5
Medical and Health	83.8	83.0	16.2	17.0	85.7	87.5	14.3	12.5	44.9	42.4
Education	89.1	75.0	10.9	25.0	29.1	70.0	70.9	30.0	48.3	49.3
Police	100.0	100.0	0	0	4.4	25.0	95.6	75.0	47.8	44.4
Judiciary	100.0	100.0	0	0	16.7	25.0	83.3	75.0	54.4	51.8
Housing	90.9	100.0	9.1	0	59.1	60.0	40.9	40.0	44.1	43.9

\*Point 46 and above on master pay scale, or equivalent and above on other pay scales.

SOURCE: Government Secretariat, *Staff Biographies, 1974* and *Staff Biographies, 1978*, Hong Kong, Government Press.

approximately the same rates of mobility in these two departments. Women did, however, tend to be slightly older, have slightly more years of university education, and to have lower rates of mobility.

By terms of service, in 1978, education and medical and health were fairly well integrated. Expatriates tended to be four or five years older than locals at entry, a differential that tended to disappear in the education department as they both achieved senior status (but which widened in medical and health). The trend toward integration was intensified in medical and health as the expatriate rate of mobility dropped from 1974 to 1978. By 1978, years of university education and rates of mobility (especially when entry point was held constant) were broadly similar.

The least integrated departments in the 1978 sample were public works and housing, where indeed two separate career patterns were apparent within each department. This was especially true in the public works samples. On the one hand, locals with university degrees in engineering, but without engineering experience, were recruited upon being graduated from university into apprentice (later student) engineer positions. Expatriates, usually without university education (and increasingly from 1974 to 1978 with less university education), but with experience and professional qualifications, were recruited at an older age into the rank of engineer (thereby bypassing the ranks of apprentice engineer, temporary assistant, and assistant engineer).<sup>23</sup> In both 1974 and 1978 mobility for expatriates in public works was faster than for locals, even when entry point was held constant. By 1978, the differences of terms of service, entry age, education and professional background, and mobility rates appeared to be cumulative, resulting in the bifurcation of the departmental sample into two distinct career patterns.

The housing department sample in 1978 was characterised by the same sort of lack of integration. Locals with less university education were recruited at an early age into a career stream leading to the position of housing manager. Expatriates, who tended to be much older on entry, and better educated, took the engineering and surveying positions in the sample. Finally, expatriates in housing had a faster rate of mobility, and the mobility gap widened between 1974 and 1978 to a considerable extent.

The judiciary and the police were intermediate cases. Age of entry, average age on achieving senior status, and educational background were similar for locals and expatriates in the judiciary. Expatriates did rise faster to senior levels in the sample, however, resulting in a more mixed picture.

The profile of the senior civil service indicates certain patterns of recruitment and promotion which have characterised the civil service, especially

<sup>23</sup>The scale for civil servant engineers from bottom to top is: apprentice (later student) engineer; temporary assistant engineer, assistant engineer (point 23 on the master-pay scale); engineer; senior engineer; chief engineer; government engineer and principal government engineer. The last three posts are on the directorate pay scale.

up until 1978. What implications do they have for the notion of a 'representative bureaucracy' in Hong Kong?

#### THE SENIOR CIVIL SERVICE AS A 'REPRESENTATIVE BUREAUCRACY'

In 1978 women formed approximately half of the population of Hong Kong and were 35.6 per cent of the work force.<sup>24</sup> Yet in 1978 women occupied only 21.7 per cent of positions in the civil service, although their numbers have increased from the steady 16 per cent of the civil service which they have occupied for many years (from 1967 to 1971).

Women, moreover, were unevenly distributed throughout the civil service. Fig. 3 indicates that in 1975, the last year for which figures were available, women were concentrated in posts below point 38 on the master pay scale (MPS), especially in posts not under the scrutiny of the public service com-

CIVIL SERVICE BY SALARY GROUPS AND SEX, 1975

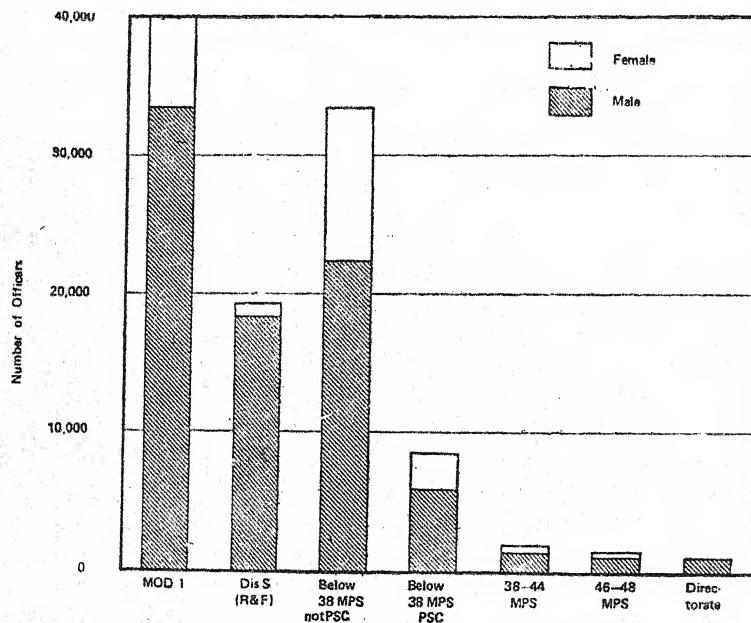


FIG. 3

SOURCE: Civil Service Branch, Government Secretariat, Personnel Statistics, 1975, Hong Kong, Civil Service Branch, mimeo.

<sup>24</sup>Census and Statistics Department, *Labour Force Survey September, 1978*, Hong Kong, Census and Statistics Department, p. 10.

mission (PSC).<sup>25</sup> In the rank and file of the disciplined services (Dis S-R&F), and in ranks below point 38 on the master pay scale, women had proportionately fewer posts than men.

'Representative bureaucracy' requires more than that the percentage of each sex in the civil service as a whole mirror the percentage of the population at large. It requires that the percentage be maintained in all functional departments (unless because of their sex, individuals are incapable of carrying out the duties of the department), and at all levels of responsibility. A profile of the senior civil service in Hong Kong has indicated that while the percentage of women in the senior civil service has increased from 1974 to 1978, women nonetheless occupied a very small percentage of senior posts (6.5 per cent of the 1978 sample). Further, fewer women as a percentage of all women in the service had achieved senior status than did men between 1974 to 1978. Indeed, we saw that 0.04 per cent of women in the 1978 civil service sample achieved senior status, compared to 0.2 per cent of men.<sup>26</sup> These figures demonstrate the existence of a *prima facie* case of discrimination against women in the civil service in Hong Kong. Women, we saw, tended to have more years of university education and yet to have slower rates of mobility. And although local women tended to be the same age as men upon entry into the civil service, the age differential increased by the time senior status was achieved.

These considerations, however, may not be conclusive. Perhaps there were differences in professional qualifications or experience (not measured

<sup>25</sup>Generally, all posts from point 30 and above on the master pay scale come under the scrutiny of the public services commission. This commission is charged with overseeing the recruitment of individuals for these posts. In 1978 the commission consisted of one chairman and two members. In 1978/1979 the commission supervised the appointment of more than 1,400 individuals. See, Civil Service Branch, Government Secretariat, *Personnel Statistics, 1979*, Hong Kong, Civil Service Branch, Government Secretariat, (mimeographed), Table 7.6.

<sup>26</sup>In the private sector (in 1978), 0.02 per cent of all employed women were employed in 'administrative and managerial' positions, while 2.6 per cent of all employed women were working in 'professional, technical, and related fields'. For men, the figures were 1.6 per cent and 3.5 per cent, respectively. That is, men were twice as likely to achieve administrative, managerial, professional, technical or related jobs in the private sector as women. If we look only at 'administrative and managerial' posts, however, men were 80 times more likely to hold these posts in the private sector than women. We saw that in the public sector, men were five times as likely to achieve senior status as women. The definitions of these various categories are not clear from the Census and Statistics Department's report, with the 'administrative and managerial' category undoubtedly being more restrictive than our point 46 and above definition. On the other hand, adding professional, technical, and related posts to these 'administrative and managerial' positions, results in a much larger group than our senior civil servants. It seems likely, however, that women are more likely to achieve senior status in the public sector than in the private sector. See Census and Statistics Department, *Report on March 1978 Labour Force Survey*, Hong Kong, Census and Statistics Department, p. 15.

here), that accounted for women doing less well. In addition, some women may have left the service temporarily to have children which might explain their slower rate of promotion. Or they may have left the service altogether which might explain why fewer women than had achieved senior status. To test this we need entry figures differentiated by sex, figures which are not available from the government. These, then, are the possible explanations of the career pattern found here for women.

The second variable, terms of service, has been discussed elsewhere in terms of the localisation of the civil service.<sup>27</sup> The Hong Kong government's policy has been to recruit local candidates for all posts (with two important exceptions) where suitable candidates possessing appropriate qualifications are available in sufficient numbers. Some posts for administrative officers and for the police inspectorate, however, have been reserved for British expatriates.<sup>28</sup> All other posts are subject to localisation.

Table 10 indicates that the civil service as a whole was in 1978, and has been at least since 1970, broadly representative of the Hong Kong population, in that 97.5 per cent of all civil service posts were held by locals.

TABLE 10 CIVIL SERVICE BY TERMS OF SERVICE

(Percentage)

	Whole Civil Service		Administrative officers		Police Inspectorate		Directorate		
	1970	1978	1975	1978	1975	1978	1960	1970	1978
Local	97.5	97.5	38.0	45.0	47.5	50.1	13.0	19.0	35.0
Expatriate	2.5	2.5	62.0*	55.0	52.5	49.9	87.0	81.0	65.0

\*In 1975, 80 per cent of the most senior posts of Administrative Officers (Staff Grade Officers A, B and C) were held by expatriates.

SOURCE: (a) Secretary for the Civil Service, Speech in Legislative Council, April 13, 1978.

(b) Civil Service Branch, Government Secretariat, *Personnel Statistics, 1975*, Hong Kong, Civil Service Branch, mimeographed.

(c) Civil Service Branch, Government Secretariat, *Personnel Statistics, 1979*, Hong Kong, Civil Service Branch, mimeographed.

However, the administrative officer grade and the police inspectorate have been excluded from consideration for localisation as a matter of colonial policy. Government policy has been to reserve 50 per cent of administrative

<sup>27</sup>D. Podmore, "Localization in the Hong Kong Government Service, 1948-1968," *Journal of Commonwealth Political Studies*, IX (November, 1971), pp. 36-51; N.J. Miners, *op. cit.*, pp. 88-93.

<sup>28</sup>Secretary for the civil service, speech in Legislative Council, Hong Kong, April 13, 1978.

officer positions for overseas officers.<sup>29</sup> In 1978, expatriates held 55 per cent of all administrative officer positions, and have dominated the senior levels of this grade. Table 11 indicates that while local administrative officers (both men and women) were concentrated at the lower end of the administrative officer scale, with one exception, their numbers have been growing. Quotas for British nationals in the police inspectorate have also been maintained for similar reasons (Table 10). The directorate in 1978, however, was still heavily expatriate, although the percentage of local officers has increased steadily since 1960. This study indicates that locals have made substantial gains in the senior civil service as well, increasing from 41.4 per cent to 51.7 per cent of posts from 1974 to 1978. Indeed spectacular gains have been made by locals at senior levels in education, the police, and the judiciary during these years.

But representativeness requires that locals hold many more posts, approaching the 98 per cent of the population of Hong Kong which they form. In none of the departments sampled for this study did the figure even approach 98 per cent at senior levels, with the figures being the lowest for locals in the judiciary, the police, and public works (Table 2).

The many reasons why the figures for locals were low have been discussed elsewhere. Competition from the private sector where professional salaries are higher has made it difficult to recruit locals, especially into medical and health, the judiciary, and public works. And the lack of training facilities in Hong Kong for some professions means that finding suitable candidates locally is unlikely in some areas, especially for posts in public works and housing. To effect change in these areas will require deliberate intervention by the government to increase salaries and benefits, on the one hand, and to provide many more training opportunities, on the other.

#### CONCLUSION

The study indicates that women, while having more years of university education than men, were much less likely to have achieved senior status than men, and if they did, to be older and to have risen in some departments at a slower rate. Locals also tended to have more years of university education, and to be promoted at a slower rate than expatriates. Those that had achieved senior status, however, tended to be younger than expatriates.

My findings indicate that although the position of locals and women has improved since 1974, by 1978 the senior civil service in Hong Kong was not representative of either women or locals. Indeed women fared very badly in the study, and by 1978 had attained not more than 25 per cent of senior posts in even one of the sampled departments. While the position

<sup>29</sup>Donald Y.K. Tsang, Deputy Secretary for the Civil Service, Civil Service Branch, Government Secretariat, April 9, 1980

TABLE 11 ADMINISTRATIVE OFFICER GRADE BY SEX AND TERMS OF SERVICE, 1974-1978

	<i>Men</i>		<i>Women</i>		<i>Locals</i>		<i>Expatriates</i>	
	<i>1974</i>		<i>1978</i>		<i>1974</i>		<i>1978</i>	
	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>	<i>1974</i>	<i>1978</i>
(Percentage. N in brackets)								
Secretary	100.0 (7)	100.0(11)	0	0	14.3 (1)	9.1 (1)	85.7 (6)	90.9(10)
Staff Grade A	100.0 (6)	100.0 (4)	0	0	0	0	100.0 (6)	100.0 (4)
Staff Grade B	100.0(20)	100.0(22)	0	0	15.0 (3)	18.0 (4)	85.0(17)	82.0(18)
Staff Grade C	97.1(33)	91.8(45)	2.9 (1)	8.2 (4)	23.5 (8)	36.7 (18)	76.5(26)	63.3(31)
Senior Administrative Officer	90.0 (9)	83.3(15)	10.0 (1)	16.7 (3)	70.0 (7)	77.8(14)	50.0 (3)	22.2 (4)
Administrative Officer	81.7(67)	77.7(80)	18.3(15)	22.3(23)	54.9(45)	55.3(57)	45.1(37)	44.7(46)

SOURCE: Government Secretariat, *Staff List, 1974* and *Staff List, 1978*, Hong Kong, Government Press.

of those employed on local terms had improved considerably from 1974 to 1978 (startlingly so in education), the senior civil service was still not representative in 1978 of the population at large. The real issue here is not whether the bureaucracy as a whole is representative of Hong Kong (and it is for locals), but whether senior posts in all departments will be staffed by locals and women proportionate to their numbers in society at large. Only when this has happened can Hong Kong claim to have a 'representative bureaucracy'.

□

### **Capacities of Governments**

Study of ancient statecraft is a frustrating experience: Despite delusions to the contrary, modern governments are not fundamentally different from classical Chinese machinery-of-state in their dependence on a few rulers and their advisers interacting with quasi-professional bureaucracies. The primary novel feature of modern governments, namely representative mass democracy combined with a distinct career-group of mediocre politicians, makes the tasks of government much more demanding. However useful institutionalization of turnover of rulers and their control by legislatures and 'the public' may be for some aspects of the quality of government and however desirable democracy is in terms of values, they complicate the tasks of governing. Advances in technology, especially in communications and information processing, provide some limited help. But no breakthroughs have occurred in the capacities of governments, which continue to be constrained by inherent limits of rulers, politicians, organizations, and mass behavior.

—YEHEZKEL DROR, *Making Bureaucracies Work*, ed. by CAROL H. WEISS and Allen H. BARTON, London, 1979-80.

## **The Administrative Departments of the India Office, 1858-1919**

**Syed Anwar Husain**

THE INDIA Office was created by the Act for the Better Government of India in 1858.<sup>1</sup> In effect, the Act transferred the Government of India from the East India Company to the Crown. A Principal Secretary of State, assisted by a Council was to head the Office as the supreme authority of the home government of India in London. This paper traces and analyses the evolution of the various administrative departments of this office between 1858 and 1919. During this period the traditional shape of the office, as laid down by the Act of 1858, underwent several changes. The India Office<sup>2</sup> was one of the British state departments and as such its evolution cannot be treated in isolation. The evolution of these departments has always been influenced by three factors: a reforming incentive from within to edge out some of the evils of circumlocution; response to a war or, for that matter, any national crisis; and a consequent austerity drive. It will be seen here that the internal structure and organisation of the India Office underwent radical changes due to the operation of all these factors.

### **THE ADMINISTRATIVE DEPARTMENTS. 1858-1914**

The Office was divided into five main branches: the correspondence department,<sup>3</sup> which dealt with the administrative correspondence relating to India, the accountant-general's department, the store department with the India store depot, the registry and record department and the auditor's establishment. The auditor's establishment was constituted, to some extent, independently of the Secretary of State in Council.

It was the practice to appoint heads of departments, specially of the revenue, public works and the political and secret departments, from the ranks of high Indian officials. The practice, however, gradually fell through.

<sup>1</sup>21 & 22 Vict., C 106.

<sup>2</sup>Hereafter frequently referred to as the Office.

<sup>3</sup>Lord Crew (Secretary of State 1910-15) described the correspondence department as "what would properly be spoken of as the India Office proper". Crew Committee Evidence, March 1919.

Ever since the introduction of open competition for the Home civil service in the 1870s there had been a steady influx of university graduates to the upper divisions, of the Office. These men were in no way less capable than the Indian civil service men who seemed to block their prospects for promotion. Sir Arthur Godley (Permanent Under-Secretary, 1883-1909) was opposed to this discrimination and in 1911, Sir Malcolm Seton, who had no Indian background, was appointed head of the judicial and public department.<sup>4</sup>

An institution works differently under different circumstances. The discussion which follows on the India Office will therefore be divided into two sections: before and during World War I. Before the war, the correspondence department<sup>5</sup> was divided into six branches. Some such division can be traced as far back as 1793. In that year, Henry Dundas, President of the Board of Control, distributed the work of his establishment on geographical lines (as in the colonial office), a department being allotted to affairs of each of the three presidencies. But in 1807, these departments were rearranged according to subjects, and four branches were instituted—secret and political, revenue and judicial, military, and public and political. In 1838, a financial branch was added.<sup>6</sup> This organisation, with some minor changes prior to 1858, formed the nucleus for the six branches which were established in 1859 by Sir Charles Wood. The establishment of these departments usually consisted of the head of the department, an assistant secretary, one or two senior clerks of the upper division, one or two junior clerks and a few second division clerks. Throughout the first two decades after 1859, these six departments underwent various changes of title and function.

Prompted by reasons of economy a special committee, in March 1867, suggested a reconstitution of the correspondence department. The marine and transport department was abolished, the business relating to the transport of troops being transferred to the military department; and that relating to pensions, navy fund and other related matters being handed over to the financial department. At the same time the revenue and judicial and public departments were amalgamated and placed under one secretary.<sup>7</sup>

In March 1871, another special committee was appointed by the Secretary of State to achieve further economy in the cost of the establishment. It is curious that the report of the committee cannot be traced;<sup>8</sup> only two minutes by Thomas L. Seccombe and Horace G. Walpole are extant.<sup>9</sup> A perusal of the establishment papers shows that Seccombe's recommendations were

<sup>4</sup>Sir Thomas Holderness (permanent under-secretary 1913-1922) evidence before the Crew Committee, May 1, 1919.

<sup>5</sup>The India Office departments which corresponded with their counterparts of the Government of India were broadly grouped as the correspondence department.

<sup>6</sup>Malcolm Seton, *The India Office*. The Whitehall Series, London, 1925, p. 19.

<sup>7</sup>Report of the Special Committee, March 1867, L/PO/MISC/5, India Office Records (IOR).

<sup>8</sup>I am open to correction here by any future researcher.

<sup>9</sup>L/PO/MISC/5, IOR.

accepted and acted upon. The post of the accountant-general was abolished;<sup>10</sup> and other minor reorganisations saved about £6,300 annually.

Further reorganisation took place in January, 1879. The existing departmental division was investigated by Henry Waterfield (secretary, commerce and statistics department). He came up with the suggestion of rearranging the departments "so that the work shall as far as possible be carried on by the departments most nearly corresponding with the one which in India conducts similar works. He thought it necessary to separate the revenue work from the judicial and public (called home in India) and to it the greater part of the statistics and commerce work, the remainder going to the judicial and public department.<sup>11</sup> The recommendation was immediately put in effect. The statement below shows the nature of the reorganisation:

#### THE CORRESPONDENCE DEPARTMENT IN 1879

<i>Before January</i>	<i>After July</i>
1. Financial	Financial
2. Military	Military
3. Judicial, Public, Revenue	Judicial and Public
4. Political and Secret	Political and Secret
5. Public Works	Public Works
6. Statistics and Commerce	Revenue, Statistics and Commerce.

Such occasional changes of title of departments were a response to changes in function. For example, in 1879, functions relating to separate revenue (customs, salt and opium, etc.) were transferred from the judicial and public to the financial department; and sanitation and municipalities were dealt with in the judicial and public instead of in the statistics and commerce department. This division of responsibilities survived until the postwar reorganisation of the 1920s.

From now on our discussion will be concerned in the main with the examination of the specific changes in the various departments up to 1914, keeping in view the questions relating to general administration. Consequently, the departments closely connected with administration will figure prominently.

The financial department was headed by the financial secretary who was subordinate to the permanent under-secretary, but upon whom fell the main burden and responsibility for the financial work of the Office. The assistant under-secretary was an officer mainly trained in the financial department and equipped with an extensive knowledge of finance. He was thus the only

<sup>10</sup>See below, p. 9.

<sup>11</sup>Henry Waterfield's Minute to Sir Louis Mallet (permanent under-secretary), June 9, 1879, L/PO/MISC/5, IOR.

officer to whom the financial secretary could turn for expert advice. It was also possible to focus in the hands of the assistant under-secretary the considerations of financial questions originating in discussions other than in the financial department. This arrangement made possible a mature consideration of financial questions and "served to relieve the financial secretary, who until it was adopted, was undeniably overworked".<sup>12</sup> The financial secretary's work load was further lightened in April 1914. On the recommendation of the Royal Commission on Indian Finance and Currency (the Chamberlain Commission), W.R. Robinson was appointed as the second financial secretary and put in charge of the 'treasury control' branch.<sup>13</sup> The benefit of the change was that he shared some of the responsibilities of F.J. Newmarch, who had long been the sole head of the department. Newmarch now looked after questions relating to 'technical or high finance', that is, exchange, currency and taxation. In effect, the financial department was now divided into two district branches — 'technical or high finance' and 'treasury control'.

In the discharge of its functions the financial department had to work in close cooperation with the public works, revenue and accountant-general's departments. The reasons for the cooperation of the public works and accountant-general's departments were obvious; the former's functions related to huge expenditure while the latter kept a watch on expenditure of all kinds. The revenue department was formerly a branch under the direct supervision of the permanent under-secretary. But in practice its work devolved on the assistant under-secretary. Before the appointment of the assistant under-secretary, the final responsibility for expert financial advice relating to revenue matters and much of the constructive work fell to the secretary of the financial department. Such interaction of the departments sometimes caused duplication of effort. The greatest cause of this was removed in 1908 when the correspondence work in connection with the leave and furlough of civil officers was transferred to the accountant-general's department.<sup>14</sup>

Financial questions were subjected to thorough preliminary considerations by the financial committee (as were all other questions by the relevant committees). The finance committee considered papers referred to it by the Secretary of State or by any one of the under-secretaries. The Chamberlain Commission remarked that "the ideal constitution of the finance committee would, . . . include three members with financial experience, two representing respectively Indian official finance and non-official commerce and banking and one representing the London money market".<sup>15</sup> The recom-

<sup>12</sup>The Chamberlain Commission Report, Cd. 7236, 1914, para 215.

<sup>13</sup>Ibid, para 216.

<sup>14</sup>Memorandum by F.H. Lucas (secretary, financial department) on the "Organisation of the Financial Department", March 8, 1919, L/PO/MISC/4, IOR.

<sup>15</sup>The Chamberlain Commission Report, para 210.

mendation was given effect to in March 1919.

The financial committee consisted of Sir M. Reid (chairman), Sir J. Brunyate and F.C. Goodenough. After 1919 it was enlarged by the inclusion of men of such special financial experience as Sir William Duke (a member qualified by Indian administrative experience), Bhupendranath Basu (an Indian member), and Sir E.G. Barrow (military member).<sup>16</sup>

The normal procedure of the committee was, after consideration of each document laid before it, to recommend that the document be approved, amended, or rejected; but it could also formulate a recommendation of its own.<sup>17</sup>

The military department did not change very much in character until the end of the nineteenth century. A retired Indian army officer of high rank and long experience was usually the head of the department. This long-standing principle was breached by Sir O'Moore Creagh (1907-1909) and Sir Beauchamp Duff (1909-1914), both of whom went to India after holding the secretaryship of the military department. The establishment of the department was enlarged in 1907 when a staff officer of the Indian army was brought over to act as assistant secretary. His responsibility included maintaining a liaison with the War Office.

The department was very often mistaken for an army headquarters attached to the Indian Office. It was in reality a 'secretariat' discharging the same functions in regard to military matters as the other departments of the Office undertake in respect of the civil administration.<sup>18</sup> On matters relating to the general direction and control of the military administration and operations in India the Secretary of State's chief adviser was the military secretary.

The political and secret department was the lineal descendant of the secret and political departments of the company and the Board.<sup>19</sup> The 'secret' powers of the Secretary of State divided the department into two branches. The functions of the two branches have been described by Sir John Kaye, the first secretary of the department (1859-1874) in the following words: "The rule which has been observed . . . [is] to treat in the political department, all questions connected with our *internal* relations with oriental potentates, which often involve considerations of European policy, to keep them in the secret department."<sup>20</sup> A comparison with the foreign department

<sup>16</sup>Lucas Memorandum, *loc. cit.*

<sup>17</sup>Memorandum by Sir Lionel Abrahams, in the Minutes of Evidence, The Chamberlain Commission Report, Vol. III, cd. 7238.

<sup>18</sup>Malcolm Seton, *loc. cit.*

<sup>19</sup>An exhaustive work has been done by M.I. Moir. See his "A Study of the History and Organisation of the Political and Secret Departments of the East India Company, the Board of Control and the India Office, 1784-1919", unpublished M.A. Thesis, University of London, 1968.

<sup>20</sup>Sir John Kaye's Memorandum, March 18, 1874, L/PO/MISC/5, IOR.

of the Government of India shows that it repeated the two divisions—external and internal—of the political and secret department. The external branch conducted relations with powers outside India and frontier regions (under the direct control of the Viceroy), and the internal branch covered relations with the native states. Just as the ‘secret’ powers entitled the Secretary of State to an exceptional position in relation to the transaction of business so also the political and secret department, as the one department dealing with the ‘secret’ matters, occupied a distinct position within the India Office. The department had its own registry, distinct from the general registry.

Until the end of Sir John Kaye’s service, the internal procedure of the department was modelled on the old company system. This was because his administrative apprenticeship had been as political assistant to the examiner at the East India House. The system of registration for incoming ‘letters’ and outgoing ‘despatches’<sup>21</sup> was so imperfect as to have created considerable difficulty for records of that department prior to 1874. The credit for the systematic presentation of records with annual registers goes to Sir Owen Burne (1874-1886). He also introduced the system of departmental memoranda.

Two posts were attached to this department: The political aide-de-camp and the Russian interpreter. The former post originated in 1872.<sup>22</sup> The aide-de-camp took instructions from the political secretary and his duties included looking after the well-being of the visiting Indian students and dignitaries. In June 1909, supervision of Indian students was transferred to the newly appointed educational adviser to Indian students.<sup>23</sup> The post of the Russian interpreter was created in 1869 and was a product of the British Government’s overriding concern with the security of the Indian empire in the face of Russian threat. The only holder of the post was Robert Michell (1869-86), as the post was abolished after his retirement.<sup>24</sup>

The fourth major department was the judicial and public. Sir Henry Maine described it as a sink into which everything settled that was not sent elsewhere.<sup>25</sup> Indeed, it was the most miscellaneous department of the Office and appeared to deal with everything which was not specifically allocated to some other department. However, its two main functions related to Indian constitutional policy and recruitment to the various Indian services (Indian civil service, the forest and educational services, public works and police). Recruitment to public works and forest services was carried out originally by the public works and revenue departments; after 1901, this

<sup>21</sup>In the India Office custom outgoing correspondence were called ‘despatches’ and the incoming ones ‘letters’.

<sup>22</sup>Council of India Minutes, Vol. C/29, IOR.

<sup>23</sup>*Ibid.*, Vol. C/102; and L/AG/30/22/43, IOR.

<sup>24</sup>India Office Establishment List; cited in Moir, *loc. cit.*

<sup>25</sup>Cited by Malcolm Seton in his evidence before the Crew Committee.

business was transferred to the judicial and public department.<sup>26</sup> The constitutional policy included all proposed legislation, referred to the Office by the Government of India and ultimately introduced as government bills. The department had very often to seek the advice of the legal adviser on these matters. The recruitment work was comparatively more varied. The department did not merely comply with indents from India to send out certain officers with certain prescribed qualifications. Rather the Secretary of State, in communication with the Government of India, made rules as to the qualifications required, and the proportion of such officers to be recruited in England.<sup>27</sup> These rules were very often based on considerations of general political and administrative policy. Indeed in this way, as well as through decisions on constitutional policy, the department dealt with the whole of internal administration of India.

The public works department, besides being responsible for public works projects in India, supplemented the recruiting work of the judicial and public department in regard to assistant engineers for public works and state railway departments, assistant telegraph superintendents, assistant architects and such other technical experts.

Closely related with this department was the Indo-European telegraph department which occupied a peculiar position in the Office. It was virtually a "sub-department of the Government of India located for convenience in England".<sup>28</sup> The department was headed by a director. If he proposed action which required superior authority, the case was submitted to the Secretary of State through the secretary of the public works department.

Of all the departments, however, the largest and "a very important"<sup>29</sup> department was that of the accountant-general. It fell outside the administrative correspondence department, but had a closer connection with administrative matters, though from the financial point of view. Unlike other departments its history was not uniform. Initially, the department was not regarded officially as the equal of the correspondence department; and was staffed on a lower scale of pay.<sup>30</sup> In 1859, the department was formed into three main divisions: the accounts branch, the examination of claims branch, and the pay branch.<sup>31</sup> In 1867, the examination branch was abandoned and its duties were redistributed. In 1871, the post of accountant-general was abolished (after the retirement of its first incumbent), it was replaced by one with the title of 'accountant', and the department there-

<sup>26</sup>Circular by Sir Arthur Godley, November 1, 1901, L/PWD/5/28, IOR.

<sup>27</sup>Note by Malcolm Seton, November 14, 1919, L/PO/MISC/4, IOR.

<sup>28</sup>Note by W. Stantiall (Secretary, Public Works Department), November, 1919, *ibid.*

<sup>29</sup>Crew Committee evidence.

<sup>30</sup>Garett Collection, MSS. EUR. D. 515, IOL. The author of this manuscript was appointed a Second Class Clerk in the Accountant-General's Department in 1884.

<sup>31</sup>"Guide to Accountant-General's Department Records" by S.J. McNally, IOR.

after was considered a branch of the financial department.<sup>32</sup> This reorganisation, as has been observed earlier, was carried out for reasons of economy.<sup>33</sup> In the reorganisation of 1879, however, the department was reinstated with its previous title, headed as before, by an accountant-general. This establishment continued up to the time of the World War I without any major reshuffling.

The department dealt with all payments and receipts and had the management of cash balances at the India Office and at the Bank of England under the general supervision of the Secretary of State in Council.<sup>34</sup> It was the duty of the accountant-general to see that all receipts and payments received in some form the approval of the Secretary of State in Council, to account duly for the same under appropriate heads to the Secretary of State for presentation to Parliament, and to furnish the Government of India with detailed information of the home transactions. The annual home budget was prepared by the accountant-general himself. The budget statement showing the position up to March 31, was presented to Parliament in May in abstract form. The reason for this was that the audit could not be completed at that time. The full detailed account, with the auditor's certificate and report attached, was presented in May of the following year, accompanied by a comparison and explanations of any differences in expenditure from the previous year.

Summaries of all expected receipts and payments for the ensuing four to six weeks were submitted each week to the finance committee and to the Council. The accountant-general always remained in constant touch with the financial secretaries in regard to these matters. The department also handled payments to other government departments. Payments, such as the contribution to the cost of the eastern mail service, and the subsidy towards the expenses of British ships in the Indian seas were made to the general post office in accordance with agreement entered into by the Secretary of State in Council. Effective or non-effective changes in respect of British forces serving or having served in India were made to the War Office.

Besides these matters of finance, the accountant-general was responsible for managing home establishment matters. These had originally been handled by the financial department, but in July 1860 were transferred to the accountant-general,<sup>35</sup> who held that responsibility until an establishment

<sup>32</sup>Thomas L. Seccombe's Minute, *loc. cit.*

<sup>33</sup>See statement showing salaries of the India Office establishment, 31 March 1880, in L/AG/29/3/49, IOR.

<sup>34</sup>Departmental memorandum, 2 December 1859, L/AG/22/30, IOR and a Memorandum by Sir Walter Baddock (accountant-general) on the work and procedure of the department, March 25, 1919, L/PO/MISC/4, IOR.

<sup>35</sup>Memorandum by Herman Merivale, July 31, 1860, L/AG/22/30, IOR.

officer relieved him in the 1920s.<sup>36</sup> In this respect the accountant-general received instructions from the permanent under-secretary.

#### DURING THE WAR, 1914-1918

The outbreak of the War in 1914 drew a heavy mass of work of an urgent and unusual kind upon the Office.<sup>37</sup> This was not special in any way to the India Office, but common to all other departments of state. By September almost all departments of the India Office, including the central registry, started complaining about the unusual load of work. The departments chiefly affected were the military, the judicial and public, and the accountant-general's. In a note to the permanent under-secretary, the assistant secretary of the judicial and public department, J.E. Ferard stated, "The work of the j[judicial]. and p[ublic]. department is now greater than in ordinary times and it is true both in quantity of papers dealt with and the quality of work which they require."<sup>38</sup> The greater part of these works was of a new character, and therefore entailed more thought than more routine matters. The pressure caused by the increased volume of work became more intense due to the depletion of personnel who had volunteered to join the fighting forces, and by the temporary suspension of new recruitment to the Office. The total number of the India Office staff on war duty up to November 1917 was eighty-four; nine members of the upper division staff, sixty-nine second division clerks and six technical officers of the store depot and stamp branch.<sup>39</sup> Even Sir Theodore Morrison, a renowned Council member, was excused from his advisory duties for the duration of the war. Clerks are the arteries through which official business in any office flows; and the arteries at the India Office were considerably restricted during the war. The Office had to cope with mounting pressure of work with a decreasing and insufficient number of staff members. A desperate position resulted. On 12 November the India Office wrote to the Ministry of National Service (a temporary department to manage war-service personnel), "... This Office is extremely hard pressed and it has already released men for service up to the extreme limit which Mr. Montagu [Secretary of State] thinks consistent with the maintenance of tolerable efficiency".<sup>40</sup> In addition to this depletion, the Office had to cope with requests from other departments to lend staff for special assignments. In December 1914, J. Putnam (a second division clerk) was transferred to the War Office to assist Sir Walter Lawrence in the work

<sup>36</sup>See Syed Anwar Husain, "The Organisation and Administration of the India Office, 1910-1924", unpublished Ph. D. thesis, University of London, 1978, ch. 7.

<sup>37</sup>Note by Sir Thomas W. Holderness, September 5, 1914, L/S & G/8/123/Est. 584, IOR; and Council of India minutes, Vol. C/110, IOR.

<sup>38</sup>Note, 14 September 1915, L/AG/30/22/51, IOR.

<sup>39</sup>L/AG/30/22/49; and L/AG/29/1/81, IOR.

<sup>40</sup>*Ibid.*

of organising hospital arrangements for wounded Indian troops in England.

In January 1915, the admiralty asked for the service of D.T. Monteath (a junior clerk in the correspondence department).<sup>41</sup> In both cases the India Office was bound to oblige: the former request concerned a matter which could easily have been passed to them, while Monteath had originally been on the admiralty establishment. Though understaffed and under extreme pressure the India Office did not stagger to halt. Necessary improvisations were made to meet the need of the unusual circumstances; these were both organisational and procedural changes in the administrative system.

The first step to cope with the staff shortage was the decision to retain experienced officials beyond the age of sixty-five. The India Office was not alone in doing this; in fact all other treasury departments were allowed to do so.<sup>42</sup> The important officials whose services were prolonged beyond the superannuation age were Sir Walter Baddock (accountant-general) and H.R. White (a staff clerk in the accountant-general's department).<sup>43</sup> Intra departmental transfers were also used to relieve overworked sections. Colonel Ramsden of the military department was in charge of Indian hospitals (he worked in close connection with the War Office). He was badly overworked. In March 1915, H. Martin of the accountant-general's department was lent to him.<sup>44</sup>

Indian officials on leave in England were sometimes placed on deputation at the India Office for some special piece of work.<sup>45</sup>

There was also an increase in the establishment to match the unprecedented increase in business. By the end of 1916 the total number of temporary staff was one hundred and thirtythree.<sup>46</sup> The accountant-general's and record and registry departments had the largest share. The temporary staff worked well, but owing to a lack of necessary training and background, they 'inevitably' created a hiatus in the organic continuity of the Office.<sup>47</sup>

War demanded the speedy disposal of business. The primary need was more rapid communication between Whitehall and Simla. In June 1915, on the proposal of Sir S. Edgerly (member of the Council of India), the Council decided that during the period of the war telegrams of an 'urgent' nature could be sent by the Secretary of State to the Government of India without previously consulting the Council. The Council, however, would

<sup>41</sup>Official letter from the Admiralty to the India Office, February 4, 1915, L/AG/30/22/50, IOR.

<sup>42</sup>Treasury circular No. 20418, August 30, 1915, L/AG/30/22/52, IOR.

<sup>43</sup>L/AG/30/22/57, IOR.

<sup>44</sup>L/AG/30/22/50, IOR.

<sup>45</sup>Malcolm Seton, *loc. cit.*

<sup>46</sup>L/AG/30/22/52, IOR. The general distribution of the temporary staff among the departments was: correspondence=13, accountant-general's=26, store=9, store depot=11, record and registry=38, audit=4, and 21 messengers.

<sup>47</sup>Memorandum by F.H. Lucas (financial secretary), March 8, 1914, L/PO/MISC/4, IOR.

be informed by placing the copies of telegrams sent in a special box in the reading room.<sup>48</sup>

The India Office procedure for disposing of business was complicated and dilatory. But the war time pressure necessitated improvisation of simpler and speedier methods. Minutes asking for information or asking that a subject be taken up, and the proposals submitted, usually came to the departments from the Secretary of State. In September 1916, Sir Thomas Holderness, in a circular to the heads of departments required that such minutes be referred to the departments through the under-secretary who would initial them and add any instruction that might seem necessary. The relevant department would then re-submit such minutes to the under-secretary within fourteen days.<sup>49</sup> In March 1918, this procedure was further simplified. It was decided that any important work requiring speedy disposal would go straight to the Secretary of State from the under-secretary concerned *via* the Council.<sup>50</sup>

To lighten the burden of work of the higher authorities yet another innovation was made in February 1916, when a second assistant under-secretary was appointed.<sup>51</sup> The post was created for the period of the war or for such shorter term as pressure of business of the office might require. Sir Arthur Hirtzel was appointed.<sup>52</sup>

Under the stress of the war the structure of some of the departments proved unsatisfactory; while others worked only after more flexibility had been introduced. To the first category belonged the financial department. The first two years of the war threatened no abnormal strain on the branch responsible for technical finance. The treasury control branch, however, had to cope with complicated financial questions involving the relationship with treasury and the war office, which arose out of the despatch of the Indian expeditionary forces. Towards the end of 1916, acute currency and exchange difficulties arose. The effect of these had been to harden the division of work between the two secretaries of the department—the two secretaries, under emergency conditions, became too deeply engrossed in their respective spheres, which gradually led to increased specialisation. As long as both the secretaries were on duty, this specialisation did not create any problem. But effective disposal of business was rendered difficult if and when one of the secretaries was absent. Indeed F.H. Lucas proposed a unified supervision of the two secretaries acting together and adequately assisted by subordinates who would then gain the necessary training to act in the absence of their chiefs: "If the branches remain united in a single

<sup>48</sup>Council of India minutes, Vol. C/144, IOR.

<sup>49</sup>September 12, L/PO/MISC/5, IOR.

<sup>50</sup>Sir Thomas Holderness' circular, March 26, 1918, L/PWD/5/28, IOR.

<sup>51</sup>Revision of permanent establishment, 1916-1917, V/6/256, P. XVIII (official publication), IOR.

<sup>52</sup>L/AG/30/22/48, IOR.

department the pressure in each branch of a responsible senior clerk or assistant would limit the work devolving on the remaining financial secretary during the leave of absence of his colleague to general supervision".<sup>53</sup> Though nothing came of this proposal, one organisational change did take place—a special military finance committee was instituted which relieved the finance committee of all the increasingly unwieldy military cases. A further innovation was made which corresponded roughly to the bifurcation between the two branches of the department. The cases in the treasury control branch were not circulated to the chairman, Sir M. Reid, and the London city member F.C. Goodenough, but were disposed of by the committee so reduced under the deputy chairmanship of Sir William Duke. (The deputy chairman, however, could remove, at his discretion, any case of special importance or differing opinion for discussion by the full committee). The cases in the technical finance branch continued to be disposed of as usual by the full committee.

The military department became the largest of the correspondence departments upon the outbreak of the war. The increased volume of work was due to India's contribution to the fighting forces in the three theatres of the war—France, Mesopotamia and East Africa and the work in consequence. This department had to work in close cooperation with the War Office, the war made this contact closer for obvious reasons. Up to the summer of 1916, policy matters relating to the eastern theatres of the war were the responsibility of the India Office, which, of course, acted as the mouth-piece of the Cabinet.<sup>54</sup> The liaison officer created in 1907 was then mainly concerned with the committee of imperial defence; in April 1919, the duties of general liaison were also transferred to this officer.<sup>55</sup>

In the military department too, the increase in both the volume and responsibility of work necessitated a division of effort. In October 1915, the department was formed into two branches—the 'ordinary' and the 'war'. James H. Seabrook was put in charge of the ordinary branch.<sup>56</sup> This bifurcation resembled that of the financial department. A 'casualty section' was added to the war branch when casualties of the Indian forces in France and Mesopotamia became too high to be coped with in the ordinary manner.<sup>57</sup>

In September 1914, when the Indian expeditionary forces were despatched, it was decided that the postal arrangements for them should be under the direct supervision of the India Office, so that the movement of the Indian forces might be kept as secret as possible. A trained staff of sorters was therefore lent by the general post office and the work was performed at

<sup>53</sup>F.H. Lucas memorandum, *loc. cit.*

<sup>54</sup>The control of the Mesopotamia expedition was assumed by the War Office in July 1916.

<sup>55</sup>L/AG/30/22/60, IOR.

<sup>56</sup>L/AG/30/22/51, IOR.

<sup>57</sup>L/AG/30/22/52, IOR.

the India Office. This postal section worked under the general supervision of the military department. Another postal section was opened at the India store depot to handle parcels for the forces. The postal section at the India Office kept records of changes in the location of the expeditionary forces. This information was of great assistance to the military department as also to the financial and accountant-general's. Such information was also required for the purpose of settling enquiries raised by the postal section at the store depot. Private enquiries by relatives of the forces regarding the methods of sending letters and parcels were replied to in this section. In March 1917, the general post office wished to take over this section, but the India Office successfully countered the move by pointing out that the postal work with particular reference to the Indian forces "could not efficiently be done away from the supervision and guidance of the India Office".<sup>58</sup>

The accountant-general's department continued as the largest non-correspondence department during the war, employing the largest number of temporary staff. Soon after the outbreak of the war a special 'war section' was organised which, by March 1919, had grown to considerable proportion.<sup>59</sup> To this section fell the work of making payments including leave pay, of all the British and Indian army officers of Indian expeditionary forces. Much correspondence with the Indian pay authorities and with officers and their families, was conducted in this section; personal interviews were afforded to memorous officers. The section worked as a part of the pay room under the supervision of the assistant accountant-general, W.J. Durrant. By April 1919, the post of the assistant accountant-general had been raised to that of joint accountant-general.<sup>60</sup>

The one important upshot of war time pressure of work relating to service matters was the creation of an information bureau in December 1914.<sup>61</sup> The bureau worked under the supervision of the judicial and public department. It maintained a register of Indian civil service officers, retired or on leave, and who were prepared to undertake war or other emergency assignments and helped find them work.

The system in the registry department underwent an important change. Political and accounts registries had for many years been under the control of the political secretary and the accountant-general. The military registry was placed under the control of the Military Registry during the middle of the war years with satisfactory results. It resulted in quicker disposal of business. So in January 1917, all other registries were transferred to the heads of departments and the staff were amalgamated with that of the relevant

<sup>58</sup>Memorandum on "The Work of the Postal Section", compiled by F. Burton (military department clerk), 1917, L/MIL/5/829, IOR.

<sup>59</sup>Sir Walter Baddock's (accountant-general) memorandum, *loc. cit.*

<sup>60</sup>L/AG/30/22/57, IOR.

<sup>61</sup>L/AG/30/22/51, IOR.

vant departments.<sup>62</sup>

The registrar was given the power of general supervision over registry work. This change also relieved the assistant under-secretary of some work relating to establishment matters as they were now transferred to the registrar. The registrar also took over the preliminary work connected with the appointment of messengers hitherto performed by the under-secretary. In July 1923, a departmental committee headed by Sir L.J. Kershaw commended the system of departmental registries.<sup>63</sup>

The India Office when created in those mid-Victorian days, was considered to be organised along the best possible lines to administer the best of the imperial possessions. But with the passage of time, several built-in defects necessitated minor occasional reforms. But World War I provided an acid-test for the system established in 1858. The impact was that the various administrative departments appeared unable to cope with the bewildering demands made upon them. Some improvisations did help to tide over the pressing problems. But it was clear that what was achieved was merely a series of short term solutions. An administrative institution could not be sustained by short term solutions; a permanent streamlining was necessary. This necessity prepared the immediate background for the reforms adumbrated in the Government of India Act of 1919.



### **The Political Question**

In an important sense Hobbes brought political thought back to fundamentals, for the first time since Plato. But whereas Plato had asked, what is the purpose of life, and had sought the answer in terms of the perfectibility of man, Hobbes asked instead, what is man like and what are his most urgent needs? Plato, too, had asked the political question, what is to be done, and had come up with the *Republic* as a part of his answer.

—CHRISTIAN BAY, *From Contract to Community*,  
Ed. by FRED R. DALLMAYR, 1978.

<sup>62</sup>Sir Thomas Holderness circular to the heads of departments, January 4, 1917, L/S & G/8/Est. and L/AG/30/22/60, IOR.

<sup>63</sup>L/S & G/8/Est. 507, IOR.

## **Police Performance: Some Parameters of Appraisal**

**S.C. Misra**

THE SYSTEM of appraising police performance at present is neither scientific nor logical. In the context of the changed circumstances, after the independence of the country, rethinking is called for in the methods of appraisal. The concepts evolved and procedures laid down during the pre-independence period of a colonial era, can no longer be valid. The objectives of police performance then were merely the maintenance of law and order and suppression of crime. The parameters of police objectives now transcend this narrow concept and extend to many a new sphere. They are now expected to encompass social objectives in which the people's expectations from their police and the citizens' opinion of police performance should be an important ingredient. While the primary function of any police force will remain 'prevention and detection of crime and maintenance of law and order', in a democratic society, even this task has to be performed with a difference, to the satisfaction of the people whom the police are meant to serve, and not rule. Unfortunately, no mechanism has been evolved to incorporate the 'citizen satisfaction' factor in the appraisal system. The traditional appraisal methods are becoming increasingly unreliable and unrealistic as criticism of police inefficiency and non-performance increases.

### **INADEQUATE APPRAISAL SYSTEM LEADS TO POLITICISATION**

One of the many adverse consequences of the absence of a convincing appraisal system is that police managers find themselves unable adequately to discount the various prevailing misconceptions about police performance. Also, since 'citizen satisfaction' is not an issue in the appraisal system and no stress is laid on the social role of the police, police forces have made no effort to improve community relations. Good police community relationship is recognised all over the world as the main bulwark of police philosophy in democratic societies. Unfortunately, this is a big casualty in the present system, mainly because of the defective appraisal methods of police work. What the police get in the name of public cooperation is political interference and bossism of the petty-fogging so-called people's representative in the legislatures. Even though elected by the people, he by no means represents

the citizen in the real sense. Experience shows that he is, by and large, a confirmed supporter of vested interests and is not in the least interested in alleviating the misery of the downtrodden of the society, notwithstanding his rhetorics. As is well known, elections have been reduced to a big farce and have become a playground of manipulative money power and vicious influence of city and village toughs. Those who get elected remain guardians of their interests and the rule of law is openly violated. It suits these elected persons to malign and over-awe the police to serve the vested interests. By doing so, they simultaneously project an image of protectors of the common man against police harassment and injustice. In this atmosphere the police have learned by experience that it is safer and better to align with them for self-protection as also for personal advancement. Having neglected to establish a direct link with the people, the police have got enmeshed in the quagmire of political jobbery and corruption. To get rid of this stranglehold, the police have to change their approach and methods so as to draw the citizen directly towards them instead of leaning on this doubtful intermediary who has only helped to tarnish their image. A change in the appraisal method can help to check, if not completely eliminate, this intermediary.

#### CRIME FIGURES ARE UNRELIABLE

The traditional method of quantifying police performance in the form of statistics of reported crime, rate of detection, and percentages of court convictions is not enough. During debates on police budgets in the legislatures or whenever criticism of police performance becomes vocal, these figures are cotted up in defence to compare police performance with previous years or among police units. These, however, never satisfy the people. The all pervading view that police statistics are unreliable and are manipulated to project a rosy picture and conceal the reality about police performance continues to persist, despite assertions to the contrary on the basis of police statistics. People know at first hand that all offences committed are not recorded in police books. Many a victim is turned away to keep the volume of crime down. People are themselves often wary of making a complaint to the police to avoid inconvenience and even humiliation that police and judicial processes turn out to be for them. Thus, at least half (or more) of the crime that occurs never finds mention in police records. This fact can never be hidden from the citizen and he cannot be expected to have faith in police statistics. Despite their public stance to the contrary, both politicians and police managers admit in private that there is a substantial burking of crime. Crime statistics, though necessary, can thus be only a partial but not very reliable index of police performance.

Euphemistically, this phenomenon of burking and minimisation of crime is not unique to India. It exists all over the world. Sarah McCabe of the

Centre for Criminological Research, University of Oxford, says:

In England, a general survey carried out in 1972 suggested that round about 40 per cent of all crime was not reported by the victim to the police.... Smaller surveys conducted in various parts of London put the figure of non-report much higher but the samples are small. These findings have been confirmed from research on the continent where a general level of reporting both in Holland and in Germany is around 50 per cent. Where reports are not made, criminal offences do not exist at all. The manufacture of crime has not begun<sup>1</sup>.

This article further mentions:

There are only a few estimates of the proportion of offences which escape record after a report has been received from a member of the public. One is from Holland which indicates that the Dutch police record offences which come to their notice through victim complaints in more than 50 per cent cases. Two exploratory studies in this country give roughly an average of 30 per cent recorded with wide variations between types of offence... In a large number of incidents, therefore, thought by those who suffer from them to be breaches of the criminal law, no record of a crime exists. There can, of course, be no certainty about the amount of the total shortfall. On the basis of the current two million or so indictable offences recorded as known to the police in this country, a minimum figure of unrecorded crime cannot be less than 1½ to 2 million. *The important conclusion to be drawn from this evidence is that there is an extensive de facto decriminalisation of whole areas of petty crime, a decriminalisation that is effected in equal parts, perhaps by members of the public and by the police.*<sup>2</sup> (emphasis mine).

#### RATE OF DETECTION AND COURT CONVICTIONS INADEQUATE INDICES

Figures of detection and court convictions are even a less reliable criteria for appraising police performance. Detection figures, like crime figures, are manipulative. A clever officer can show a high rate of detection by registering more of those offences, even though very petty in nature, in which chances of detection are greater or in which property has already been recovered and the culprits have been caught or recognised by the victims. Such officers resist bringing on record offences in which chances of detection are remote and which require prolonged and intensive investigations. It is also controversial as to which cases should be regarded as detected and in this regard

<sup>1</sup>Sarah McCabe, "The Police and the Public", *The Police Journal*, Oct.-Dec., 1980, Vol. LIII, No. 4, pp. 357-58.

<sup>2</sup>Sarah McCabe, *op. cit.*, pp. 358-59.

differing principles are applied from force to force and from area to area. If only cases in which the police submit a chargesheet to the court are to be classed as detected, this too is open to distortion and may not be very reliable. One police manager may permit submission of chargesheets even in weak cases while another may require fool-proof evidence before sanctioning prosecution. The police prosecuting agency also plays a significant role and its attitude may make or mar the figures of detection.

Court conviction is even a more uncertain variable for appraisal of police performance. There are a number of agencies and factors involved in the final decision of a police case in the court of law. The attitude of the presiding officer of the court, the integrity and ability of the prosecuting agency, the pre-occupation of the investigating officer in other more important duties preventing him from taking due interest in the case, and, finally, the attitude and behaviour of witnesses, including the victims themselves, all play an important part. It is simply a matter of luck whether all these factors combine favourably or un-favourably. Over-burdened courts and the resultant delays in court decisions have played havoc with some of the best investigated cases in the recent past. The tendency of courts in many areas to release even hardened criminals freely on bail, whereby they can not only commit more crimes to collect funds to hire a good lawyer for defence but also terrorise those likely to support the police case, has disheartened the most enthusiastic of the police managers from battling the menace of crime. Thus to judge police performance by percentages of court convictions may not be a fair criterion.

It is a moot point as to what deterrent effect is produced by the police effort on detection and later on conviction in court. The figures published by the government in this regard project a rosy picture but the actuality may prove to be different on a deeper probe. According to 'Crime in India, 1977', published by the Government of India, out of 10.96 lakh cognisable cases investigated by the police, 6.17 lakh cases were sent to courts for trial. This gave a percentage of 56.3 cases chargesheeted to total cases in which investigation was completed. Similarly, according to this report, the percentage of persons convicted to the total persons in whose cases trials were completed during the year under report (1977) was 47.5 for the total crimes under the Indian Penal Code. The percentage was highest in the case of theft and burglary cases, being 59 and 56 respectively and lowest for dacoity and riots in the vicinity of 32. These figures may appear very encouraging at first sight but what is undisclosed is the percentage of cases resulting in conviction to cases in which chargesheets were submitted to court. In many cases more than one accused is chargesheeted. Also unrevealed is the final outcome of the cases and the arrested persons after the chargesheeted cases have gone through the entire process of appeals in the various courts up to the Supreme Court. The general public feeling is (and this may prove correct after a proper survey of individual cases) that hardly any hardened criminal who creates

a sense of insecurity among the citizens, ends up with a proper and adequate jail sentence to rid the community of the terror he creates. As mentioned earlier, these figures are manipulative and therefore unreliable. In any case, howsoever attractive on paper, they do not go for creating 'citizen satisfaction'. Even the British police, regarded as one of the most efficient in the world, do not claim a higher detection rate than one in five for property offences<sup>3</sup> while our percentages of detection in dacoity (64), robbery (51.7), burglary (32.3) and thefts (35.2) would appear fantastic.

#### FAILURE OF THE JUDICIAL SYSTEM

Despite these laudatory figures of police efficiency, the feeling persists that the police are not doing their job properly. People have lost faith in the judicial process which continues to be elitist and beyond the reach of the common man. It only helps those who have money or influence. This expensive apparatus contributes almost nothing to social justice or social security, and, in any case, the citizen does not recognise the court as a citadel of justice which it should signify. The police themselves get little help from the system in their primary task of crime control, and police managers are in serious discussion as to how the police can disengage itself from it. Condemned as they are in the judicial view which is endorsed by the public, the police can neither contribute to its improvement nor explain their point of view to the public. People blame the police for the delays in court trials and all the harassment they undergo during it and, in the end, the responsibility for acquittal of culprits is also squarely placed on the police. People have no clear idea of the agencies involved in the judicial proceedings and the very insignificant part played by the police, once the case is sent to court. When the case ends in an acquittal, the people tend to believe that the police must have colluded with the culprits, for corruption of the police, which is in a way proverbial, is easily believed.

#### OVERSTRESS ON PREVENTIVE PRINCIPLE IS DANGEROUS

In the nineteenth century, the preventive principle of crime had the supremacy. Sir Robert Peel's London Metropolitan Police, regarded as the forerunner of the modern police system, laid down that the measure of police efficiency was absence of crime and instructions issued by its first Commissioner of Police said that 'prevention and not suppression' was the real principle of police work.<sup>4</sup> This principle was vehemently opposed by intellectuals even at that time. They saw in it a sinister move to curtail citizen liberty and found it oppressive to human dignity. The public apprehension expressed

<sup>3</sup>Sarah McCabe, *op. cit.*, p. 360.

<sup>4</sup>Charles Reith, *A Short History of the British Police*, 1948, Oxford University Press.

then cannot be dismissed lightly. The use of the preventive principle to judge police performance is an open invitation to corrupt practices. Stress on this principle is bound to lead to harsh and arbitrary treatment of citizens, rightly or wrongly suspected of crime and anti-social activities. It can also be a catalyst for promotion of tendencies to minimise and burk crime by hook or crook to show low crime figures and to keep statistics at a favourable level. Complete absence of crime is an utopian concept. It is admitted by criminologists and sociologists universally that crime is a by-product of civilisation and must rise and fall with it. As civilisation advances, crime becomes more sophisticated, organised and complex. In a developing country like India with an unprecedeted population explosion and more than forty per cent of the people living below the poverty line, and where modernisation and political awareness is going on apace, crime can only be expected to rise. This fact, however unpalatable it may be, will have to be accepted by those in control of the administrative apparatus, as also by the media which shapes public opinion. Failure to see this phenomenon in its proper perspective has led to frequent emotional outbursts against rising trends of crime and also to the condemnation of the police. It is little realised that this attitude is counter-productive. It not only diverts the attention of the police from dealing scientifically and systematically with problems facing them but forces them to adopt short-cut methods of a spectacular nature. One of its manifestations is minimisation and burking of crime.

The primacy of the preventive idea has often led to the acquisition by the police of wide discretionary powers of arrest, search, interrogation, etc. It cannot be denied even by the most ardent supporters of the police, that these preventive powers have, to a lesser or greater degree, been abused, giving rise to avoidable hostility between the police and the public. The young aggressive male, in particular, with modern ideas of freedom and liberty, is not prepared to accept this position and the situation invariably leads to confrontation. Further, to achieve any substantial and real prevention of crime, large police presence is essential. This is a costly luxury and the resultant benefits are of a doubtful nature. Besides the danger of subjecting law abiding citizens also to undue and unwelcome close watch of the police, the measure has all the portents of a police state which is bound to go counter to the objective of 'citizen satisfaction'. Thus, prevention of crime is desirable but overstress on it is dangerous.

#### MAINTENANCE OF LAW AND ORDER

Maintenance of law and order or 'street-cleaning' as it is called in some countries is another parameter of police performance. It falls, more or less, in the category of crime prevention discussed earlier. In a democratic country which gives constitutional rights of assembly and freedom of speech to its people, ensuring public peace is indeed a difficult if not an impossible task.

Organised body of men and women are bound to get excited over issues beyond the control of the police and sometimes resort to violent acts. The factors that create violence and disorder are many faceted, more political and economic than administrative. People can only be kept in check to a degree but not without the use of force which may have to be repressive and ruthless when situations go out of control. There is nothing like absolute law and order in a democratic country which is still battling for social and economic justice. Repression and use of force to maintain peace is again counter-productive in the focus of the avowed objective of 'citizen satisfaction'. Such methods can only be employed at the risk of provoking a civil commotion and encouraging insurgency. Therefore, to judge police performance by their ability to control agitations and dissent is fraught with grave danger. It would encourage the police to be lawless themselves. Moreover, quantification of success in this field is doubtful and difficult. Assessments in this regard are at best subjective, according to the appreciation of situations by police managers or politicians.

#### OTHER AREAS OF POLICE PERFORMANCE

Some other areas of police performance are traffic regulation in cities and on the highways, vice control and general security. A new parameter recently stressed is protection of minority groups and weaker sections of society, specially the scheduled castes and scheduled tribes. While appraising police performance, it is obvious that their main fields of activity, *viz.*, prevention and detection of crime and maintenance of law and order will have to be given due weightage but these cannot be the only criterion for appraisal as tends to be the case presently. The weightage to be given to their performance in other fields will have to be determined and methods evolved to quantify performance under different heads. In this regard, some procedure will have to be evolved to quantify the all-too important parameter 'citizen satisfaction'. The police is indeed treading a hazardous course by ignoring this important factor.

One controversial area of police functions is 'social assistance' and enforcement of social legislation. Doubts have often been expressed whether these constitute police tasks at all. Some police managers are of the view that attention to these tasks helps to obscure the real nature of police role in administration. There are equally strong counter views also and most modern police forces accept this role as forming the real basis of police-community relationship. The absence of a close police-public relationship is regarded as the real reason of police ineffectiveness and criticism of their work. One of the saddest manifestations of this lack of public support is the poor working conditions and the low social status of policemen for which no solution has been found over the years. An emphasis on their social role is perceived as a possible way of rescuing the police force from the baneful effects of

politics through improved community relationship.

#### PUBLIC SATISFACTION MAIN CRITERIA OF POLICE PERFORMANCE

In a democratic society, the police performance appraisal system has to take due cognisance of such parameters as the degree to which public expectations are determined and satisfied. The police have to be in tune with public sentiments for which they have to reorient their approach and philosophy to act democratically and visibly demonstrate that they are the champions of the public cause. Otherwise, the police will stay merely as the strong-arm of the administration, to be used or misused at the whims of a few top people in the system, themselves having a fleeting existence. Unless it is recognised that the people at large are the real masters and for their welfare the police is duty bound, the police will continue to be regarded as an unavoidable imposition or as social parasites. They will also continue to be alienated from the cultural mainstream. Once this phisolosphy of service to the people as the real role of the police is accepted and its advantages properly realised, it is inevitable that a methodology is developed for quantifying police performance in this area and giving it due weight in the appraisal system.

#### INTEGRITY AND BEHAVIOUR

One other factor vital for a favourable public image of the police is the degree to which police operations conform to legal, executive and legislative directives. This is necessary to judge police commitment to the concept of rule of law, so important and essential in a democracy. How this factor can be quantified and what weightage must be given to it in the appraisal system should be a matter for intelligent research.

Other parameters to be included for appraisal can be: (a) individual and departmental behavioural patterns; (b) integrity—fiscal, moral and mental; and (c) degree to which departmental objectives are determined and achieved.

Last but not the least must be the working out of the productivity cost to determine if the expenditure on the police is justified from the angle of public service and citizen satisfaction. While effectiveness means the degree to which organisational objectives are achieved, productivity is the cost of achieving these objectives.

#### CONCLUSION

Police missions are diverse and their quantification is indeed a difficult task. It, however, requires to be given some serious thought. Even a mere recognition of these parameters as essential for appraisal of police performance would go a long way in meeting public expectations and thereby

promoting 'citizen satisfaction'. Performance measurement is more than mere ad hoc evaluation. It implies a formal and methodical effort to gather quantitative data about operations and administrative performance. Without this, it is not possible for police managers to determine whether their agencies are improving or falling back.

In the final analysis, however much one may choose to define the quality of policing, any definition would be grossly inadequate without consideration of its impact on the community. After all, the ultimate objective of policing in a democracy is to carry out the will of the citizen and the best gauge of police effectiveness is one that measures 'citizen satisfaction'.



### Definition of Police Role

Given the particular significance of the police in the criminal justice system—their visibility, their symbolic representation of the political system, their multiplicity of roles, their vast discretionary authority, and their monopoly on the exercise of legal coercion—a great deal of attention has been focused on the police. Because the operational discretion of the police is so pervasive and is so intimately intertwined with all other matters affecting or affected by the police, the greatest concern has typically been with devising schemes that can "establish the limits of discretion... [and] provide guidelines for its exercise within those limits." To date, however, these efforts have failed, and compliance analysis suggests that future efforts are no more likely to succeed. To limit police discretion and to provide guidelines within those limits for its proper exercise, it is necessary to define what the proper police role is. However, with the rise of positive and expanding government in the United States, it has become increasingly difficult to ascertain just what the proper police role is. Since the New Deal, the American government has been continuously called upon by its citizens to do more and more in the areas of social welfare, economic regulation, and civil rights. As a consequence, its responsibilities and powers commensurate with these responsibilities have expanded tremendously.

—RALPH A. ROSSUM, *The Politics of the Criminal Justice System*, 1978.

## The Extent of Multi-Disciplinary Research in Agriculture—A Note

Gunvant A. Patel

THE AGRICULTURAL research organisations have for long recognised the need and importance of multi-disciplinary research. The necessity of several disciplines working together was recognised by the erstwhile commodity committees for research on cotton, oil-seeds, tobacco and other crops. Their research projects provided for several scientists working together. The research institutes of the Indian Council of Agricultural Research (ICAR), the various agricultural universities and the State departments of agriculture managing research, usually provide multi-disciplinary team of scientists at their research stations. Generally, the team consists of an agronomist, an entomologist, a plant breeder, and a plant pathologist. Depending on the complexity of the problems other disciplines are added.

The need for a multi-disciplinary approach in agricultural research organisations has been stressed by research administrators. Pal<sup>1</sup> has stated that the days are gone, as far as applied research in agriculture is concerned, when a lone researcher could hope to achieve significant results. Team work is therefore considered important. Recognising the importance of multi-disciplinary research, the ICAR has specifically introduced the system of coordinated research projects for conducting agricultural research. According to Swaminathan<sup>2</sup>, these projects are unique instruments for achieving inter-institutional and interdisciplinary integration in research. The National Commission on Agriculture<sup>3</sup> has recognised that agricultural research is intrinsically amenable to multi-disciplinary approach. Indeed, according to the Commission, science cannot be applied to solve the problem of food, without bringing some of the disciplines together.

The organisers of agricultural research, having recognised the need of a policy for multi-disciplinary research, have been introducing structural and procedural changes for this purpose. Quantitative evaluations of this

<sup>1</sup>B.P. Pal, "Organization, Management and Progress of Agricultural Research in India", *Indian Journal of Public Administration*, Vol. 15, No. 3, 1969, p. 376.

<sup>2</sup>M.S. Swaminathan, "Government Policy and Administration of Agricultural Research", *Indian Journal of Public Administration*, Vol. 15, No. 3, 1969, p. 563.

<sup>3</sup>Report, Vol. 11, 1976, pp. 1, 7.

approach have not been attempted so far. It was, therefore, considered worthwhile to assess the extent of agricultural research involving one or more disciplines and ascertain if there is any perceptible trend of a larger share of multidisciplinary research in the total agricultural research output.

### METHODOLOGY

For the study, the following journals of agricultural research were selected: Annals of Arid Zone Research Station; Indian Journal of Agricultural Sciences; Indian Journal of Agronomy; Indian Journal of Entomology; Indian Journal of Genetics and Plant Breeding; Indian Journal of Horticulture; Indian Journal of Nematology; Indian Phytopathology; Journal of Indian Society of Soil Science; and Madras Agricultural Journal.

The most recent available volume of the past decade of each of the above was examined. Each article was gone through, with particular attention paid to the tables, so as to ascertain the discipline or disciplines, which it touched. Data obtained were then compiled disciplinewise. From Table 1, indicating the percentage of articles falling in one, two or more disciplines for each of the main agricultural sciences was derived. The data for the seventies are at B in the Table.

To find out if the organisational efforts for multi-disciplinary research and coordination had made any impact on the extent of multi-disciplinary research, the back issues of a volume, of ten years ago, of each of the journal, were also similarly examined. All these volumes were of the sixties, and the data are presented at A in Table 1. This when compared with data of seventies (B) indicates whether there has been a growth in the multi-disciplinary research and if so, its extent.

Keeping in view the special need for multi-disciplinary approach in research on fertilisers and hormones, articles covering these disciplines were recorded separately. It was felt necessary to have a separate view of the extent of multi-disciplinariasm prevailing amongst their research workers. In addition, the topic of fertiliser, has also been clubbed with agronomy. The subject of horticulture is not identified separately, but the research articles published in horticultural journals were pooled into other disciplines as for agriculture, animal husbandry, veterinary and dairying have been excluded from the present study.

### ANALYSIS OF DATA

The current level of multi-disciplinary articles is 28.4 per cent. The percentage of articles falling in a single discipline, which was 77.5 per cent in the sixties got reduced to 71.6 per cent in the seventies. Thus, from the sixties, to the seventies, a perceptible increase in multi-disciplinary research is observed. Comparing the percentage of articles of more than one discipline in the

TABLE 1 NUMBER AND PERCENTAGES OF ARTICLES IN VARIOUS DISCIPLINES OF AGRICULTURAL RESEARCH IN THE SIXTIES (A) AND SEVENTIES (B)

(Percentage in brackets)

		Total	1 Discipline	2 Discipline	3 Discipline	4 Discipline
Plant Physiology	A	15	13 (86.7)	2 (13.3)	2 —	—
	B	26	7 (26.9)	16 (61.5)	3 (11.6)	—
Agronomy	A	43	25 (58.1)	13 (30.2)	5 (11.6)	—
	B	68	17 (25.0)	36 (52.9)	13 (19.2)	2 (2.9)
Fertilisers	A	48	21 (43.8)	24 (50.0)	2 (4.2)	1 (2.0)
	B	77	39 (50.6)	31 (40.3)	7 (9.1)	—
Agronomy Fertilisers Bio-Fertilisers	A	91	49 (53.8)	39 (42.9)	3 (3.3)	—
	B	166	81 (48.8)	72 (43.4)	13 (7.8)	—
	A	5	4 (80.0)	—	1 (20.0)	—
Irrigation	B	20	12 (60.0)	8 (40.0)	—	—
	A	53	36 (67.9)	15 (28.3)	2 (3.8)	—
Plant Breeding	B	50	26 (52.0)	24 (48.0)	—	—
	A	63	49 (77.8)	11 (17.5)	3 (4.7)	—
Soils	B	78	53 (68.0)	22 (28.2)	3 (3.8)	—
	A	—	—	—	—	—
Bio-fertilisers	B	21	15 (71.4)	4 (19.1)	2 (9.5)	—
	A	21	17 (81.0)	4 (19.0)	—	—
Hormones	B	36	27 (75.0)	9 (25.0)	—	—
	A	111	93 (83.8)	18 (16.2)	—	—
Plant Pathology	B	238	186 (78.2)	49 (20.6)	3 (1.2)	—
	A	69	61 (88.4)	8 (11.6)	—	—
Entomology	B	182	151 (83.0)	30 (16.5)	1 (0.5)	—
	A	6	4 (66.7)	2 (33.3)	—	—
Nematology	B	55	47 (85.5)	8 (14.5)	—	—
	A	24	23 (95.8)	—	1 (4.2)	—
Genetics	B	66	62 (93.9)	4 (6.1)	—	—
	A	27	27(100.0)	—	—	—
Rest	B	17	17(100.0)	—	—	—
	A	485	376 (77.5)	99 (20.4)	10 (2.1)	—
All Disciplines	B	955	684 (71.6)	246 (25.8)	25 (2.6)	—

sixties with that of the seventies, the improvement is assessed at 26.2 per cent, with a corresponding reduction in the extent of mono-disciplinary research articles. The annual growth rate in multi-disciplinary research is thus 2.6 per cent.

Out of the many disciplines of agricultural research, plant physiology has shown rapid increase in the extent of multi-disciplinary research. It has now as many as 73.1 per cent of the published article covering more than one discipline. When compared to the sixties, this indicates an improvement of over five times. More than half (51.2 per cent) of research articles on agronomy (including fertilisers, biofertilisers) are now multi-disciplinary. The improvement recorded over the sixties is, however, only 10.8 per cent. In both these disciplines there is also some improvement in the extent of research articles covering more than two disciplines.

There has been a rapid improvement of 49.5 per cent in the extent of multi-disciplinary research in plant breeding. The extent of multi-disciplinary research in this science is now 48 per cent. Research on plant breeding has contributed greatly towards increased agricultural production. The problems now being faced, such as adaptability of varieties to the varied agro-climatic conditions, competitiveness of the varieties, and the continued high amplitude of agricultural output as a result of climatological influences, indicate the increased need of multi-disciplinary research in plant breeding.

Study of soil and related disciplines in increasing production is beginning to attract greater attention, but only 32 per cent of the articles on soil are multi-disciplinary. Soil scientist need to pay greater attention to development of multi-disciplinary research, so that the complex problems of agricultural production can be tackled satisfactorily. The recorded increase of 44.1 per cent over the decade in the extent of multi-disciplinary research in soils, however, augurs well for the future.

The sciences of plant pathology, entomology, and nematology do not seem to have developed extensive multi-disciplinary research. Only 21.8, 17.0 and 14.5 per cent of the articles are respectively multi-disciplinary. The large number of total articles in plant pathology and entomology are to be noted. The numerous pest and disease problems, thrown up in the wake of green revolution are well known. But unless these sciences strengthen their ties with plant breeding, soils and other disciplines, in a multi-disciplinary approach, the constraints in agricultural production will not get detected and removed. In comparison with the applied agricultural sciences, genetics which is a fundamental science, has significantly less proportion of multi-disciplinary research articles. This finding lends support to the reliability of the methodology adopted in determining the extent of multi-disciplinary research.

## LINKAGES OF DISCIPLINES

For each discipline, in addition to the number of articles of one or more disciplines, the discipline(s) to which they were associated were also noted. From this date, the existing links of different disciplines become known. The figure gives this information for some disciplines.

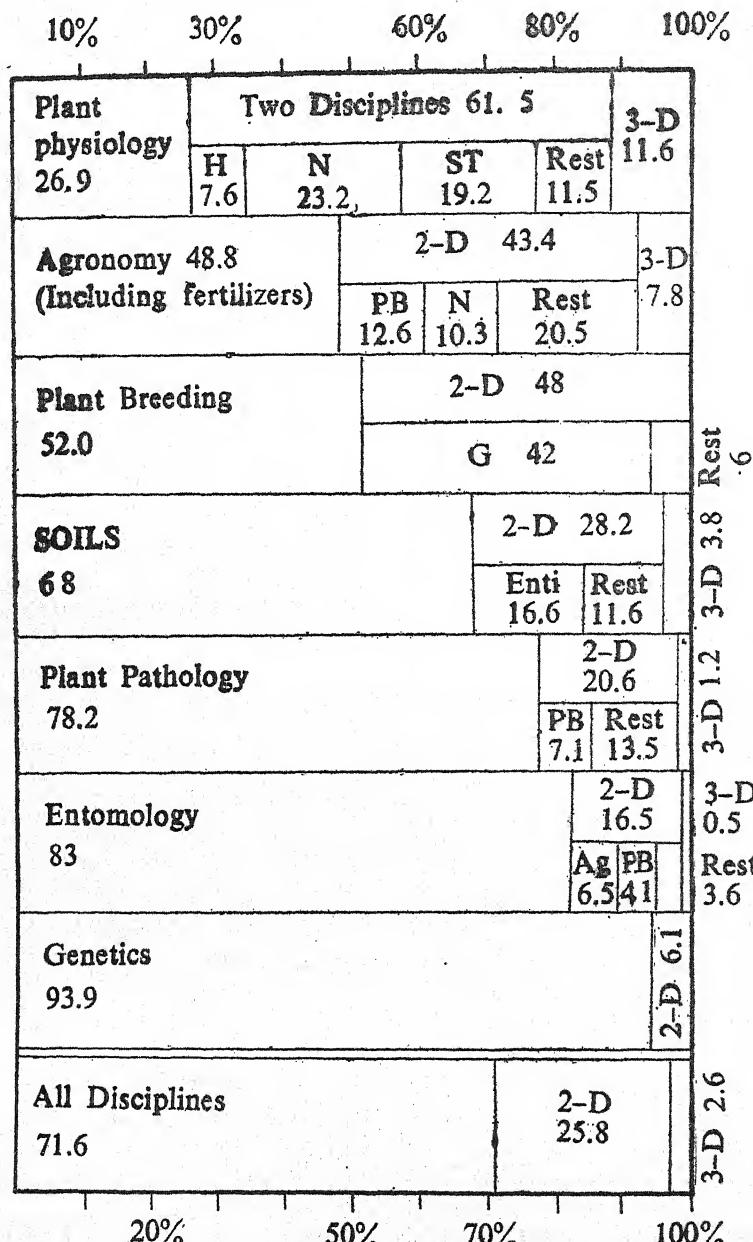
Plant physiology research has associated itself with several other disciplines. These are nutrition, seed technology, climatology, and irrigation research. As the number of articles falling in individual disciplines is not large, a quantitative comparison cannot be completely accurate. However, linkages of plant physiology with nutrition (23.2 per cent of total articles) and seed technology (19.2 per cent) are stronger than with the remaining disciplines (4 to 8 per cent each).

The subject of agronomy (including fertiliser and bio-fertilisers), has numerous associations. As many as nine linkages were observed. Its strongest associations were with plant breeding (12.6 per cent of articles) and nutrition (10.3 per cent). The other disciplines with which the agronomists collaborate were study of hormones, soils, agricultural economics, plant physiology, plant pathology, climatology and entomology. The extent of its important associations with two disciplines were with plant breeding—nutrition, plant breeding—plant pathology, plant breeding—agricultural economics, plant breeding—irrigation, soils—irrigation and plant physiology—agricultural economics.

The links of various other disciplines are given below:

Irrigation	.. Agronomy (including fertilisers 25 per cent), Agricultural economics, climatology, and plant physiology.
Plant breeding	.. Genetics (42 per cent), seed technology, and climatology.
Soils	.. Entomology (16.6 per cent), agronomy, geology, bacteriology; irrigation—plant breeding, land-planning; agronomy-plant breeding.
Plant pathology	.. Plant breeding (7.1 per cent), plant physiology (3.4 per cent), ecology, entomology, climatology, nutrition, agronomy, bacteriology, nematology, soils, agricultural economics.
Entomology	.. Agronomy (6.5 per cent), plant breeding (4.4 per cent), nutrition, ecology, agricultural economics, plant physiology, and soils; agronomy-plant breeding.
Nematology	.. Plant physiology (5.4 per cent), agronomy, bacteriology, plant breeding, plant pathology and soils.
Genetics	.. Plant breeding, nutrition, ecology, plant physiology.

PERCENTAGE OF MONO AND MULTIDISCIPLINARY ARTICLES OF VARIOUS  
AGRICULTURAL SCIENCES IN THE SEVENTIES



AG Agronomy; D Disciplines;  
ENT Entomology; G Genetics;  
H Hormones; N Nutrition;  
PB Plant Breeding; ST Seed Technology.

## SUMMARY

The extent of multi-disciplinary research in agriculture is measured by noting the percentage of research articles, covering one or more disciplines, in ten journals of agricultural research. Currently 28.4 per cent of the articles appearing in these journals are observed to be multi-disciplinary. The growth in multi-disciplinary research is estimated at 2.6 per cent per annum. The extent of multi-disciplinary research is the highest in plant physiology (73.1 per cent), followed by agronomy (51.2 per cent). The order of decreasing extent of multi-disciplinary research of the other sciences is plant breeding, soils, plant pathology and entomology. In comparison with the applied agricultural sciences, the extent of multi-disciplinary research is much less in the fundamental science of genetics.



## Flood Control

The only way to tackle the growing menace of floods is to control deforestation, denudation and soil erosion in the water sheds of rivers. Such a task must be undertaken on the most urgent basis particularly in the case of the Himalayan rivers, if certain disaster is to be avoided. If this problem is not tackled in time, it is not difficult to imagine a situation in which, thanks to increasingly frequent and intense floods, and the consequent rise in the level of river beds, large portions of the rich flat lands of the Ganga basin may be turned into undrainable swamps. Perhaps it is already too late to save the situation because while the denudation and erosion of the Himalayas is already far advanced and is growing rapidly, it will be years—even with the best will in the world—before we will be able to control it effectively. Responsibility for flood control must in any case be removed immediately from the irrigation departments, where it rests today, and handed over to organisations which can control soil erosion in the catchments. It is time we realised that the building of spurs and embankments—which incidentally have to be rebuilt or raised almost every year—is no answer at all to the problem of floods.

—B.B. VOHRA, *A Policy for Land and Water*, Sardar Patel Memorial Lectures, 1980.

## **Book Reviews**

### **Declaratory Judgments**

V.G. RAMACHANDRAN AND V.R. GOPALAN, Bombay, Tripathi, 1980,  
pp. 232, Rs. 55.00.

The reviewer has an advantage since he has known V.G. Ramachandran's work on the theme of the book under review for nearly two decades. Ramachandran's *forte* is constitutional law. Having worked so long in the Indian Law Institute he could not but be concerned with problems of judicial review. He has been having the feeling throughout the time the reviewer has known him that the area of declaratory judgments has been neglected by and large by the Indian legal community, consisting of judges, lawyers and scholars. As it is mentioned on page 212 (footnote 48), Ramachandran had submitted a report to the Indian Law Institute (which the reviewer had perused shortly after it was presented) in 1961, on declaratory judgments, where out of nearly 700 decisions on the subjects cited by Ramachandran, about 300 were foreign decisions. Among the nearly 400 Indian decisions, 150 related to administrative decisions, and 115, among them, were pre-constitution decisions. The authors of the book under review noted that roughly 50 per cent of declaratory suits were against administrative acts. The handicap, the authors admit, has been that no clear data is available from original sources, namely, courts of original jurisdiction. In this vast country there are so many courts with original jurisdiction and there is no reference to all or even to most of them in any collected work; the reported cases, mostly in appeal (themselves a small fraction of the cases decided in appeal), "cannot give clear satisfaction".

What seems to have really troubled the authors is the 42nd amendment of the constitution which endeavoured to shut out some areas of writ jurisdiction exercised previously. The opportunity afforded by the 42nd amendment has been exploited by the authors to indicate how valuable indeed is the relief of declaration to persons with grievances in the area not only of private law but also public law. They have also rightly addressed themselves to the inadequacies in the existing law, substantive and procedural, in this respect. Their natural concern has been the limitations placed by section 34 (section 42 of the old) of the Specific Relief Act [some provisions of the Civil Procedure Code (CPC) like order 2, rule 2 and sections 80 and 91 thereof have to be read alongside].

The authors are absolutely justified in pointing out that there does not

appear to be any need for the proviso to section 34 (new) about the court not being competent to grant the relief of declaration, if a plaintiff being able to do so, omits to seek further relief other than by way of declaration. There cannot be any doubt in the mind of anyone who has studied and also bestowed some thought on this question that it is such a proviso, in both the old as well as the new (present) Specific Relief Act, which has prevented the growth of more modern and appropriate reliefs being granted by courts.

A leaf may be taken out here from the American experience. A wrong understanding, at the turn of this century, of the scope of the English high prerogative *writ of certiorari* (wrongly thinking that the writ would not lie in England in a case of that description) led the Supreme Court to think of more modern juristic tools—declaration, injunction, prohibition, direction, etc. This has proved an unmixed blessing in the American scene because the American courts have generally been able to mould relief more appropriately, realistically, and effectively than in the English scene [vide An Introduction to American Administrative Law by Bernard Schwartz, 1958, pp. 176-178, while commenting on the decision in *Degge vs Hitchcock* (1913) 229 U.S. 162].

On the contrary, courts in India seem to have suffered more seriously than elsewhere from the limitation of not being able to grant a declaration alone without granting further relief. This has unfortunately been due to viewing litigation as an opportunity for collecting revenue, in the shape of court fee, rather than as an invaluable occasion for doing justice. It is no doubt true that there is also the danger of multiplicity of legal proceedings; but this can and must be left to the courts for administering tailor-made justice from case to case. It is unfortunately still not widely known even in legal circles—protagonists of so-called parliamentary supremacy are specially prone to forget it—that “despite the overwhelming importance of statute law, it is still on the whole, the cindrella of legal science and wisdom”. It is about three decades since Friedman uttered these words in his work “Law and Change in Contemporary Britain”. The position in favour of statute law anywhere does not seem to have been improved very much since! No one could perhaps put the essence of the legal process more clearly and succinctly than Viscount Kilmuir:

The substance (of the legal process) is this:

- (a) the formulation of a fixed rule — that is the law;
- (b) the investigation of the facts by an impartial and independent judge;
- (c) the ascertainment of the truth by reasoned deductions from evidence however adduced;
- (d) the unbiased application of the rule to facts found to be true.\*

\*“Address to the Mansfield Club” on January 24, 1957 quoted in *The British Journal of Administrative Law*, Vol. 3, No. 2, p. 24.

Only occasionally does one come across a decision of the kind mentioned by the authors (page 214) of the Allahabad High Court in allowing the appeal of one Mrs. Bhagawati Devi against the order of a civil judge directing her to pay an *ad valorem* court fee of Rs. 408 in a declaratory suit, on the ground that the ultimate effect would be to set aside an order for attaching a house. The High Court expressed itself strongly against the attitude of the lower court and said that *the purpose of litigation is justice and not revenue*. The most remarkable feature about this decision is that it has not been reported in any of the law reports—a sad commentary on the kind of reporting that takes place in respect of decisions of even such importance. We would not be even knowing about this decision—the reviewer did not know about it till he read about it in the book under review—but for the authors having brought it out by their valuable research, by referring to a report of it in *The Hindustan Times* on January 31, 1960. Here is, incidentally, an example of legal reporting in the press making up for what is not being done by the law reports of the country. The reviewer can only cite the example of a leading law report in this country not allotting anything more than about 30-40 pages in every monthly issue, on the average, for the decisions of the Delhi High Court when about 2,000 decisions are marked annually for being reported by the judges delivering them.

Coming back after this (disturbing!) digression to the subject of this book, the authors are seen to highlight the efficacy of order 2, rule 2, of the CPC. No plaintiff can, according to that sub-rule, without the leave of the court, omit to sue for any relief which he can ask for if the same arises out of the same cause of action. The authors rightly stress the salutary nature of this rule of procedure, which enjoins the plaintiff to sue for all available reliefs (to prevent multiplicity of proceedings) but at the same time give the much needed discretion to the court permitting the plaintiff not to sue for further relief(s) when the circumstances of the case justify it. This would indeed enable tailor-made justice being meted out to the parties. There is, therefore, great force in the suggestion of the authors, that section 34 (new) section 42 (old) of the Specific may delete the existing proviso to the effect pointed out earlier and merely make the said provision subject to order 2, rule 2, CPC.

The reviewer cannot help expressing surprise at the many pieces of necessary legislation, either newly or by way of amendment, beneficial to public interest, not being attempted. Even when suggestions are made they are hardly taken note of. Here is an excellent suggestion by the authors, made out of their deep study, which cries for being implemented.

The reviewer can himself recall so many occasions, making practical suggestions in judgements, for further probe into the legal area concerned, for rectifying the law, etc. He had himself directed copies of his judgment to be sent to the appropriate governmental agency. But he has not come across, in his three decades of judicial work, even a single case where any

such suggestion appears to have been studied for being either implemented or even rejected! It is still more surprising that when high power committees are appointed for reforming any branch law there does not seem to be much evidence of research, of any worthwhile kind, directed towards even unearthing what the courts had pointed to earlier in the area concerned. The atmosphere unfortunately is heavily laden with cynicism and distrust of courts. The Indian situation thus appears to be even contrary to what is happening in the modern world elsewhere. The opinion is growing strong that "legislation is needed not to repress the forces through which judge made law develops but to stimulate and free them." We find an urge in France to strengthen judicial review, operating within the parameters of what is known as the 'principle of legality'. As the French Jurist Andre Tunc explains, 'government under law', 'judicial review,' 'judicial supremacy'—all of them could be regarded as 'phrasings of the same idea'. The Italian law gives judicial review an intensity which is unparalleled in England; the consultative body, *Consiglio di Stato*, has a function of controlling the administrative acts which is not purely residuary but is the essential function of that body—the one without which the institution (at least regarding its judicial committee) would disappear.

The authors' suggestion that costs may be directed to be paid by a plaintiff not giving notice under section 80 CPC, if the plaintiff later settles the claim with the authority, is well made. This would take care of occasions when suits are filed without giving an opportunity to the government to have the matter examined afresh, after a threat of suit, before a suit is actually launched. Still more valid is the point taken by the authors that declaratory reliefs should be available to a party even when he does not have 'any right'; they suggest that an action for declaratory judgment can lie even when it is the duty of government to determine any liability, duty or power. There is also force in the suggestion that even contractual rights should fall within the scope of (old) section 42, (new) 34 of the Specific Relief Act (pp. 215-16).

Mr. Justice Sarkaria, speaking for the Supreme Court, in *J.M. Desai vs Roshan Kumar* (1976, AIR, SC 578) has dealt elaborately with the English decisions, on standing for judicial review, classifying the decisions into those which upheld standing and those which did not. In the case before the Supreme Court standing was not upheld. The person expressing a grievance had a licence to exhibit cinematograph films and he objected to his rival getting a no-objection certificate in violation of the Bombay Cinema Rules of 1954. The Supreme Court observed that the petitioner before them had not objected to the issue of the licence earlier at any stage. The effect of the English decisions on this subject was summarised as follows in para 12:

According to most English decisions, in order to have the locus standi

to invoke certiorari jurisdiction, the petitioner should be an 'aggrieved person' and in a case of defect of jurisdiction, such a petitioner will be entitled to a writ of certiorari as a matter of course, but if he does not fulfil that character, and is a 'stranger', the Court will, in its discretion, deny him this extraordinary remedy, save in very special circumstances. This takes us to the further question: Who is an 'aggrieved person'? And what are the qualifications requisite for such a status? The expression 'aggrieved person' denotes an elastic, and, to an extent, an elusive concept. It cannot be confined within the bounds of a rigid, exact and comprehensive definition. At best, its features can be described in a broad tentative manner. Its scope and meaning depends on diverse, variable factors such as the content and intent of the statute of which contravention is alleged, the specific circumstances of the case, the nature and extent of the petitioner's interest, and the nature and extent of the prejudice or injury suffered by him. English courts have sometimes put a restricted and sometimes a wide construction on the expression 'aggrieved person'. However, some general tests have been devised to ascertain whether an applicant is eligible for this category so as to have the necessary locus standi or 'standing' to invoke certiorari jurisdiction.

Going over to the scene across the Atlantic we find Ralph Nader making the following caustic comments on what the legal profession is doing. He says that it "has itself created the most subtle and sophisticated ways to ignore most of its potential customers". Speaking of the doctrine of standing to sue he is even more bitter: "Can you imagine—first you create a democracy and a constitution and you say, this is equality under the law, and then you say, well, on many of the fundamental issues 99.99 per cent of the people don't have standing to sue—a phrase that has no meaning for lawyers. What is standing to sue? It is a rationalisation of the principle that if you are wealthy enough economically, you can go to the court to hear your arguments."\*

Even the present section 34 (old s. 42) of the Specific Relief Act retains the words "Any person entitled to any legal character or as to any right to property". Words of limitation of this kind appear comical in a modern democratic welfare state which is subject to the rule of law. Ralph Nader is unable to understand the insistence upon the individual suffering "a unique economic injury".

The advantage—even as it is—of a declaratory suit is that this is not, in the first place, subject to the artificial restraints of a writ petition, which cannot, for instance, go into disputed questions of fact. If one examines

\*Ralph Nader, "Consumerism and Legal Services: The Merging of Movements", *Law and Society Review*, Vol. 11, No. 2, pp. 247-252.

the numerous writ petitions dismissed on this ground one might be struck with the amount of injustice that has been perpetrated so far. The reviewer can recall an occasion when he was pressed to dismiss a writ petition on the ground that a certain fact stated in the writ petition was disputed in the return to that writ petition; the official who had filed a return had solemnly denied a fact, which was so patent when one merely looked into the concerned file. The reviewer had no compunction in allowing the writ petition in those circumstances. An identical writ petition had previously been dismissed on the ground that the same fact (which appeared from the files when they were sent for) had been denied by the official concerned in the return to that writ petition! It is manifest that this limitation in the matter of hearing of writ petitions has given rise to the temptation of officials solemnly disputing even patent facts, appearing in the files, to unearth which no research is necessary.

Temptations, and even anomalies of the above kind, are not likely to arise in a suit for a declaration, for the official concerned would be afraid of being summoned and cross examined. In proper cases, the High Court, while dealing with writ petitions, could also adopt this procedure of recording oral evidence, but this is such a rare happening that one may proceed on the assumption that for all practical purposes this is not done. Suits for declaration should therefore be encouraged. This will relieve the congestion in the High Courts. There might be a criticism that this will then add to the congestion in the lower courts of original jurisdiction. But the chief advantage of the course suggested will be that more costly judicial labour, at the High Court level, would not have to be spent on the kind of cases which can be dealt with by at least the less costly judicial labour. There ought to be sufficient manpower especially at the lower court levels. There ought to be severe and strict supervision of the work that they do. The reviewer can recall the state of judicial administration in Madras (formerly) and Tamil Nadu (later) when he was in the judicial service of that State. There was close and continuous attention paid to pendency specially of old cases and additional judicial strength was quite often promptly obtained in the required manner whenever necessary and without delay. More so, in criminal cases, after separation was introduced between the judiciary and executive, the pendency of old cases was under very good control. The reviewer had himself been responsible for working the separation in more than one district (introduced in a phased manner).

Reference is made to the above features only to highlight the fact not so well known today, that it is possible, with better judicial administration and cooperation from the government, to avoid these backlogs and set the judicial administration on its smooth and efficient course. Provision of more discretionary reliefs than available today need not be avoided merely on account of adding to existing court congestion. The very availability of the relief of declaration is likely to keep the officials on the correct path.

Especially in the emerging area of Public Interest Law, the reviewer visualises a significant place for declaratory suits of the kind envisioned by the authors. Not to provide modern and efficacious judicial remedies like 'declaration' can only lead to a situation—so pithily described by Edmond Cahu—of "being unable to make what is just strong we have made what is strong just".

The authors would have done a much better job if they had kept out considerations pertaining to the 42nd amendment and its repeal (there is a promise to write a supplement!). A book dealing with declaratory judgments alone will be even more useful. The authors have themselves referred to the useful models they had before them for writing this book: it is only suggested that they need not have succumbed to the temptation of deviating from those chosen models to deal with the details of the 42nd constitutional amendment and after. To say this however is not to minimise the undoubtedly merits of the work. It is only hoped that when the second edition is brought out—the sooner the better—it would more fully correspond to the models the authors had before them. The authors have placed the legal community in their debt by their commendable industry which has gone into this work. It is bound to be of immense use to even the indolent law-student, the busy lawyer and the over-worked judge.

—S. RANGARAJAN

#### **The Enterprise of Public Administration**

DWIGHT WALDO, California, Chandler and Sharp, Novato, 1980, pp. 210, \$ 6.95.

As a scholar of public administration/affairs, Professor Dwight Waldo occupies a highly respectable place in the development of modern public administration. Although he is retired from an active academic life, the legacy of his thoughts and ideas connecting government administration and society will continue to influence the thinking of future generations of public administration scholars and practitioners. In this tri-dimension interconnection, public administration becomes an important instrument of governmental action through which the society seeks to protect, preserve and promote its enduring values and collective purposes.

Throughout his association with the discipline of public administration, Waldo has maintained a distinguished scholarly style generating a variety of thought provoking ideas and intellectual controversies. Any professional interface with Waldo either through his writings or personal discussions provides an intellectual stimulation. The volume under review not only presents the essence of his association with the study of public administration but also poses several fundamental questions about the organic link between public administration and society.

The Enterprise of Public Administration is a narrative presentation of eleven lectures given by Waldo during his last semester at the Maxwell School, Syracuse University, in 1979. These lectures, in effect, provide a summary of Waldo's association with "public administration as a part of government and also as a self-aware academic activity".

The first lecture deals with administration in general. He views administration and civilization as having always been intricately woven together. Civilization is viewed as a mixture of good and bad. With civilization's many achievements, gifts, and advantages over the centuries, it also has had its injustices, cruelties and horrors. Administration in this vein is credited as being integral to these goods and bads. Administration has provided the base for promoting the "growth of science and art and has also provided the base for conquest and violence". Waldo views administration as a configuration of "arts, sciences, skills, attitudes, and procedures" that develop in history and constitute the body-administrative in society. The assemblage of these components, together with the ideas and institutions that arise, are the origins of governmental tradition. Waldo alludes to the arts, sciences, skills, attitudes, ideas, procedures, and institutions as administrative 'technologies'. He views administrative technology as being one stream and not the traditional separate public and private streams. The public and private sectors are dependent upon each other and their technologies are intertwined. Waldo maintains that the government-political contribution to administrative technology has been greater over the centuries when compared with the private sector. Only in recent years since the Industrial Revolution has the balance shifted toward the private sector.

Administration, according to Waldo, has recently become 'self-aware' in a sense and on a scale new in human history, and has become an object of study. This is especially true in the United States and in western Europe. However, the United States has not been able to use the older, well established, European models. Although Europe has had a science of public administration, its success and excellence are based deep in Europe's history, various constitutional arrangements, educational systems and social structure; no school of public administration exists. Much of Europe's public administration science could be learned but, due to our own unique history and development, could not be transplanted. Waldo believes that administrative technology, or management, is most important for the successful operation of society and government. He acknowledges that some forms of administrative technology may be obsolete, and in some cases, dangerous to society and government. However he concludes that in today's world, administrative technology evolves and changes; obsolete and dangerous facets of administrative technology may be modified or eliminated. Waldo has no answer to the question, however, of whether administration will have the creativity and adaptability to cope with these changes.

Public administration, according to Waldo, is a 'powerful and creative

force'. He makes this statement based on a number of perspective, themes, and theoretical assumptions. Some of them include:

- The reiteration of the intricate and intimate relationship between civilisation and administration. "Administration frames civilisation and gives it foundation, while civilisation helps administration increase its power and versatility."
- The acceptance of bureaucracy as being "large-scale, formal complex, task specialised, and goal-oriented."
- Progress and change are created by people. Waldo does not believe in a 'state of nature' in which things exist.
- The private sector is not more efficient than the public sector. "The business of government is government and not economic productivity and profit maximisation. To require this would be naive."
- Government and administration as entities are basically equal.
- The progress of social and physical science technologies are also entwined. Administrative technologies have their effectiveness increased by the physical technologies.

Waldo views administration as a social technology maintaining interaction with other social and physical technologies throughout history. Public administration, in this capacity, has had a role in every field of endeavour associated with government. Agriculture, commerce, transportation, and education are but a few. In many instances, creativity and activities of the public and private sectors have exerted interacting influences. The use of computers and the automobile are considered to be the prime examples. Waldo has no use for the established myth of private-public, business-government antagonisms. He believes that the relationship between the private-public sectors is characterised by a close collaboration in all major national achievements.

Although Waldo acknowledges the positive aspects of public administration, he also recognises that it has weaknesses, limits, defects, and dangers that are often magnified. These limitations and weaknesses are the result of the changing structure, ideology and ambience of government that come from the election processes. The changing nature of the roles as well as the tasks and functions that government undertakes also provides an added dimension to these weaknesses and limitations. The American Government was founded on the premise of a strong, independent people living mainly in an agricultural framework. It was also founded on the premise of a polity without large cities. This, obviously, has long been passed by. Today people expect the government to do for them what they cannot do for themselves. Government is expected to provide for individual well-being in addition to its basic requirement of providing for the public good. As a result, government is overwhelmed with unprecedented demands impacting on its

effectiveness and efficiency. Waldo concludes that "to the extent that our social sciences are sometimes inadequate, we simply do not know how to do some of the things we are trying to do through public administration".

Turning to education, Waldo acknowledges that much is taking place in the field of public administration. However, there is the problem of determining what is appropriate education and where the thrust should lie. Education is affected by the structure, processes, politics and higher institutions of education, as well as the institutional and value structure of American society. Education is affected by the contemporary climate in which public administration is situated. The constitution, which ignored the importance of administration, also affects education. As a result there is confusion on whether public administration should be a subdiscipline, discipline, or profession. Waldo is against public administration as a profession because the word 'profession' denotes expertise in a narrow area. Waldo believes any public administration programme should be interdisciplinary. He also acknowledges that his point in this area is vulnerable.

Waldo is also concerned about the relationship between politics and administration. One of the problems of this relationship is that the constitution does not refer to 'administration' or 'management' and, when written, did not envision a bureaucracy the size and complexity of the one we have today. Waldo does not believe it is possible to solve the problem of relating politics and administration in any way that is systematic and generally acceptable, given present conditions and in any foreseeable future. He concludes the problems are too great, opinions too varied and confused. Waldo believes that the solution to the problem of politics and administration is the development of coherent and acceptable theories that will treat politics and administration, "not as separate realms, but as related realms, and perhaps as one realm".

Bureaucracy and democracy are two forces that run parallel, collide, and reinforce each other with confusion and turbulence. By forces, Waldo refers to "ideas, emotions, philosophies, ideologies, myths, etc., plus practices, procedures, institutions, and technologies". The problem of bureaucracy and democracy is one of definition. Democracy is a political concept while bureaucracy may be defined using Max Weber's descriptive-analytical definition as "large-scale, formal, complex, and administered". Waldo states that there is no alternative to large-scale governmental organisations and administration-bureaucracy given the current conditions. Large-scale bureaucracy is a fact of life and will continue to be so in the foreseeable future. There is no alternative to the making of large-scale policy and the exercise of great power except in a bureaucracy. Waldo acknowledges that he has no way to justify these last two sentences in light of the American constitution, history, values and beliefs. The problem of bureaucracy and democracy characterise American society, institutions, organisations, as well as the government and business entities that have evolved. In his view,

the problem of bureaucracy and democracy is one of defining what is an appropriate mix of democracy and administration acceptable to the nation. What is the status and weight to be accorded to non-democratic values such as national security, personal safety, productivity, and efficiency with democratic values such as liberty and equality? There is no clear answer here.

Moral and ethical behaviour in public administration is another concern of Waldo and he acknowledges that this subject is a complicated matter. There is a distinction and conflict between public and private morality. Public morality concerns "decisions made and actions taken directed toward the good of a collectivity". However, the decision or action taken, although judged to be in the public good, may be immoral from a private point of view, *i.e.*, killing as an example. Public and private morality may also be seen from the concept of higher law which holds that "there is a source and measure of rightness that is above and beyond the government". The illustration cited by Waldo is the American Revolution against the British that inspired the Declaration of Independence. However, this higher law does not equate with or relate only to public morality as against private. Waldo concludes that the 'ethical landscape' for public administrators is cluttered and complex. The public administrator is expected to respond to moral and ethical obligations to the constitution, law, nation, democracy, organisation-bureaucratic norms, profession and professionalism, family, friends, self, public interest and general welfare, to name a few. Although the list is arbitrary, it is not complete and it is rough on administrators. Because the issue of morality and ethics is so broad, Waldo believes administrators need a 'map', defining those items an administrator must adhere to as he travels through the bureaucratic hierarchy. Waldo believes administrators need to know what we are talking about when we are discussing morality and ethics. He also believes we need a set of 'navigational instruments' for the public administrator to travel across the 'map'. One navigational instrument would be used to guide administrators through the ethical problems in public administration and the other would be from the social sciences on what they have to say about ethics, both directly and indirectly.

Waldo is concerned about public administration and development. Development is used as a substitute for progress and modernisation. He is also concerned with public administration as it relates to comparative administration and development administration. Comparative administration refers to those actions, the expectations of which would contribute to theory building in the behavioural sense. Development administration requires persons across the social science stratum to develop actions that would produce results quickly. The increasing knowledge and complexity of today's society require that an attempt be made to encompass the knowledge and complexity and put it all together in the form of results. Waldo believes

that both comparative as well as development administration are needed if public administration is to remain a viable entity. However, he tends to be more in tune with comparative administration on a global scale. Waldo believes the solution to problems will require increasing communications with scholars and practitioners of all countries. He further maintains this is so because we are beyond the point where the western world has the answers to all problems as previously believed.

The last three chapters of the book deal with the future of public administration. Waldo believes that organisations will become more porous in the future and will be more interwoven with each other, even to the point that "it will be difficult to distinguish between organisations and the environment". In fact the conceptualisation of the word 'organisation' will get more difficult. In making these comments, Waldo sees himself as an optimist when he sees the potential for liberation in an organisational society; at the same time he is a pessimist when he questions how many people would want to live in a non-bureaucratic world, if such came to be.

Waldo sees a number of forces affecting public administration in the future. The current classical paradigm of growth, abundance, and consensus will clash with a new paradigm of decay, scarcity and conflict resulting in value oscillations and organisational turbulence. The new beliefs, values, lifestyles, and changing culture patterns will be significant to practitioners of public administration. He believes these forces of change are the result of the post-industrial transition which includes:

- increase in knowledge;
- computers with the ability to create knowledge;
- decline of the man-powered factory and rise automated factories;
- shift of emphasis from production to distribution;
- shift from production to service occupations; and
- speeded up rate of economic-social-political change.

Because of the post-industrial transition and the problems the future hold, Waldo sees a gradual blurring or mingling of the private-public or business-government sectors.

In dealing with the future, Waldo believes that practitioners of public administration will have to learn how to deal with decreasing growth and increasing scarcity. They will have to learn how to interpret economy, effectiveness and efficiency under new and difficult circumstances. They will have to decide upon the trade-offs between these hard values and the soft values of family and community nurturance. Other problems to be dealt with include:

- unionism in the public sector;
- balancing centralisation and decentralisation;

- racial-ethnic and sexual equality issues;
- policymaking in and by the bureaucracy;
- proper mix of professionalism and expertise;
- balancing the demands of the present with the needs of the future; and
- developing less authoritarian, less bureaucratic organisations without, at the same time, permitting or encouraging confusion and chaos.

Waldo concedes that public administration presently is "given responsibility beyond its knowledge and power, beyond the authority it can command and the virtue it can summon". He also believes the situation will get worse before it gets better and the possibility of overload will get more critical. However, he is not like Warren G. Bennis who believes bureaucracy and public administration in its present form will disappear by the end of the twentieth century to be replaced by organic-adaptive organisations. Waldo believes that public administration will continue to be an integral part of civilisation as long as civilisation exists. "They will not disappear unless and until civilisation disappears, through decay or destruction, or through transformation into a new human condition."

—D. S. CHAUHAN

#### **Politics of Water Supply: The Case of Victorian London**

Asok K. MUKHOPADHYAY, Calcutta, World Press Pvt. Ltd., 1981, pp. 227, Rs. 100.00

The United Kingdom is held out as a model of probity in polities and as a functioning democracy, with public interest and rational governing policy rather than parochial interest. The Victorian era, in particular, has always been considered one of almost puritanical uprightness.

Asok K. Mukhopadhyay, in his book 'Politics of Water Supply', has made a very detailed study of the manner in which Victorian London dealt with the question of water supply. The very first fact which emerges from the study is that the decision-makers in Victorian Britain were as subject to political influence, parochial pulls, etc., as our own present day politicians. The simple question facing London was that water supply was in the hands of private companies who could neither ensure a constant supply nor give pure water. The internecine rivalry of the water companies led to a great deal of waste, with each company vying to service the very areas in which another company was operating. Where the companies were able to form cartels the evils of monopoly permeated the system. Pollution was common and in 1831 a cholera epidemic swept London.

Committee followed committee and a Royal Commission of Enquiry was replaced by a general board of health. It was as plain as a pikestaff that what was needed was the nationalisation of the water system and its

handing over to a properly constituted local authority. The companies, however, were able to repeatedly abort any move towards such a nationalisation of supply and the Bills introduced in 1851 and 1852 both failed.

Right up to 1888 the battle for public ownership and control continued. There were agitations, court cases, private Bills presented before parliament from time to time, all coming to nought. Committee followed committee. In 1895 there was a water famine because of sheer mismanagement. The main issues which bedevilled the question of nationalising water supply in London were: (a) the compensation to be paid for nationalisation of supply; (b) the financing of public ownership; (c) the demand of the London County Council to be entrusted with the task of water supply and sewerage disposal; and (d) the move to have a separate water board. All these issues kept delaying the takeover of the water system. It was only in 1903 that a metropolitan water board was set up. Even this was not considered a very satisfactory arrangement because the London County Council was thus deprived of control over water supply. The position still remains that the elected Greater London Council has no responsibility for water supply in the London area and the regional water authority, namely, the Thames Water Authority, is responsible for the supply of water to the city of London. It has taken almost a century and a half to evolve an overall system of water supply and sewerage in the capital of the country which at one time ruled the major part of the world.

The book under review has a plethora of material which, however, has not been very well arranged. The induction of irrelevant information such as the metropolitan board of works being penalised because of an auditor's report (p. 38) detracts from the value of the work. One cannot help feeling that in his anxiety to collect and collate as much material as was available, the author has failed to sift the relevant from the irrelevant. Another example is reference to a letter written by one H.W. Lee demanding a special session of parliament in 1889 (p. 104). A reader wading through all this material is often lost in a welter of detail without being able to see the specific point that the author wants to make.

As a bibliography of material on the subject of the politics of water in London, the book has much to commend it. But it requires a great deal of editing and re-arrangement if it is to be truly useful for scholars.

--M.N. BUCH

#### **Presidents, Professors, and Trustees**

W.H. COWLEY, (DONALD T. WILLIAMS, Jr. Ed.), San Francisco, Jossey-Bass Publishers, 1980, pp. 260.

One of the most serious problems confronting American higher education is a vague definition of the roles and responsibilities of presidents, professors,

and trustees which often leads to stresses and strains in educational administration. The book *Presidents, Professors, and Trustees* by the late distinguished educator W.H. Cowley (edited by D.T. Williams, Jr.) is a major scholarly contribution to an effort to clarify this seemingly ambiguous role definition and to offer historical perspectives to enhance comprehension.

Cowley takes a second look at misconceptions about academic management that have strained relations among faculty, students, administrators, and other actors in the shaping of basic policies. He explains the fundamental positions of these academic constituencies about academic governance and offers the background of these views in order to help establish future sound policies. The book, moreover, records in great detail the sensitive and significant obligations of students and alumni in academic leadership. The crucial involvement of local and federal government as well as the effect of philanthropic foundations on colleges and universities in the United States are likewise clearly and forcefully demonstrated. Finally, the author expounds on "the meaning of democracy in contemporary academic settings".

William Harold Cowley (1899-1978) was Hamilton College's president from 1938 to 1945; then he joined Stanford University to serve as the first David Jacks Professor of Higher Education. He, therefore, has been in a strategic position to write about this subject by virtue of his rich and varied experiences as administrator, professor, and student. He has what anthropologists call both the *emic* (insider's) and the *etic* (outsider's) vantage points, thus lending greater authenticity and authority to his analysis and interpretation of facts and views.

In the midst of U.S. President Ronald Reagan's policy of cutting back on higher education budgets and the continuing crisis in other areas of academic life (e.g., affirmative action, bilingualism, etc.), the publication of this book is indeed very timely and appropriate. The author has succeeded in debunking many myths and stereotypes about the republic of scholars—professors, presidents, trustees, students, alumni, others. The book should be read by all educators, public administrators, scholars, and students for the richness of Cowley's historical analysis and synthesis, for his clear and coherent discussion of views and issues, and for his pragmatic approaches to the creative discovery of sound educational decision-making in the academy.

—MARIO D. ZAMORA

#### **Indian Federalism—The Legislative Conflicts**

V.D. SEBASTIAN, Trivandrum, Academy of Legal Publications, 1980,  
pp. 375, Rs. 85.00.

The plural society and the composite culture developed by India invariably have contributed to a political system quite different from that of the

European continent. Concepts like state, sovereignty, nationhood and citizenship, as they are understood in the west, were alien to India's thought. Her ancient emperors, in order to establish their imperial authority, resorted to *aswamedha* yagya (horse sacrifice) and in the medieval period embarked upon a scheme of annexation similar to the pattern conceived by the ritual of horse sacrifice.

As it was conducive to the acceptance of their political authority, her conquerors also had adopted the traditional style of imposing their supremacy. The British themselves had treated India as an integral part of their empire and did not confer any formal statehood on her either in 1919 or in 1935, two significant periods in her constitutional development. The English king was Indian emperor. However, the administrative order, the educational system and the environment for secular politics they evolved for this country, have provided for the Indians facilities and opportunities to imbibe the philosophy underlying the western statecraft and to acquaint with the methods and techniques of its operation.

The British, for the first time, conceived a federal structure for India consisting of two types of units, the provinces and the native states ruled by subordinate monarchs who were in no way different from the *samanta raja* under the imperial overlordship of the promoter of the horse sacrifice. There was enough substance available from Indian political traditions to provide an uncertain but frightful connotation to the invulnerable and unassailable term 'paramountcy'.

As the British left, the Indians have raised a patriarchal federal structure falling back on their feudal beliefs and imperial past. India is not a federation but a 'union' of states and the states themselves were not pre-existing the union but subsequently carved out of the erstwhile provinces and princely domains by the centre. There was, therefore, obviously an inverse implementation of the federal formula and the states were neither trusted with residuary powers nor with autonomy. They are not again indestructible units of an indestructible federation nor equal partners in the operations of the union authority. They have not transferred any sovereignty to the union but are mere recipients of the powers envisaged by the constitution which may be curtailed at the overriding will of the centre.

The provinces under the British enjoyed enormous functional freedom on account of the auto-limitations practised by the imperial authority and the regional compulsions born out of the diversity and the vastness of the country. The *aswamedha* initiators of independent India who control the power of the centre, have, on the one hand, sought constitutionally the governor of a federating state to be their choice and, on the other, by resorting to extra constitutional means, have made its chief minister their pliant nominee. In fact, there is a correlation between the power of the union and the parliamentary majority hailing from the Hindi-speaking states.

The states in India have no right to secede as Syria could exercise with

the UAR or Singapore has availed to get out of the Malaysian federation. The feudal chief of the past built his might out of the weakness of his vassals, but the strength a federal centre should be sought in the sound functioning of the states. There is a tendency in India to mistake the concentration of power at the centre for national unity. In fact, too much patriarchal care of the centre will only enfeeble the existence of the states as regional democracies.

One of the biggest hindrances to the proper functioning of democracy and the autonomy of the state is the dominant communities seeking whatever possible power at any cost like the subordinate monarchs under the Hindu imperial system. During the emergency, education has been transferred from the state list to the concurrent list. Oils and minerals are already the property of the centre and views are expressed from higher political quarters that water and electricity should also be categorised as national resources. Any study of unionism, and not federalism in India, can hardly be realistic unless it is made in the totality of the socio-politico-economic background of the country.

Sebastian's study confines itself to the three legislative spheres embodied in the constitution, namely, the union list, the state list and the concurrent list. It was originally his doctoral dissertation but he has put in considerable labour for its revision in the light of subsequent developments. Divided into twelve chapters, the book deals with a number of judicial pronouncements at appropriate places.

In an overwhelming number of cases, judges have vindicated the power of the union against the rights of the states with the result that the states have developed more reflexes to accept subordination as an integral part of the Indian unionism. In fact, India is not quasi-federal but a feudal federalism.

Sebastian's book will be of great use to the students of Indian constitution and will serve as a handbook of reference for lawyers. However, the author has been extremely economic with analysis and comments and the whole book is so rigidly structured as to suit perhaps the lawyer's precision.

—S.N. SADASIVAN

#### **Property Tax Administration**

M.A. MUTTALIB AND N. UMAPATHY (eds.), Hyderabad, Osmania University, Department of Public Administration, 1978, pp. 213, Rs. 45.00.

The volume is the outcome of a seminar on property tax administration conducted by the Regional Centre for Training and Research in Municipal Administration at the Department of Public Administration of Osmania University, Hyderabad. It contains the welcome address, the presidential

remarks, the inaugural address, three working papers, nine papers by the participants, the seminar proceedings, and summaries of five central and state reports having a hearing on local taxation. In his prefatory remarks, Professor Muttalib claims that his "Department of Public Administration has succeeded in establishing close rapport with public agencies, and thus could reduce the gap between the practitioners and students of public administration, and thereby enabling a large number of research scholars to complete successfully their research programmes".

After a close look into the seminar papers the reviewer is unable to find evidence of any research based paper by the faculty of the departments; on the other hand, there is ample evidence of confused thinking in the seminar papers and proceedings, e.g. :

- (i) The first working paper pleads for taxation of vacant lands, either by the state or by the municipal authorities. Surely, the issue in the context of the seminar was whether such taxation should be done through municipal property tax powers.
- (ii) The second working paper pleads for taxation of peripheral panchayati area by the municipal authorities. It displays a lack of understanding of municipal tax jurisdiction, which is necessarily limited to the municipal area.
- (iii) The third working paper suggests collection incentives to be given to municipal tax collectors. Why limit such incentives to revenue staff and not extend these to other service personnel, on top of their normal salaries?
- (iv) Two officers from the central ministry in charge of urban local government plead that the Central Government should not be made liable to property taxes as it is already providing resources for urban development. While the authors' loyalty to their employers is inspiring, the quality of the argument shows no such virtue.
- (v) The revenue officer from Bangalore corporation thinks that if property tax assessment is organised on a sound basis, there may not be any need for government grant. No comments! He also thinks that under-assessment in municipal property taxation can be corrected through the moral regeneration of the assessment staff. Again no comments!

On a substantive level, there is one issue which ran through the entire seminar, without any focused attention given to it. This is the question of standardisation of property tax assessment. Let me first identify the various ideas mooted in the seminar:

1. Raghaviah in his working paper poses the question : "Whether it would be possible to fix letting rates locality or zone-wise, arrive at ARV

and levy the scheduled rates of tax on different kinds of properties in a given locality or zone?" (p. 25)

2. Yazdani (pp. 90-102) describes the attempts at standardisation of rental for property tax assessments in Bangalore and Bombay corporations. In Bangalore this is based on the nature and year of construction on the basis of standardised letting value for plinth area, without taking into account the location of the property; in Bombay, the standardisation of letting values rests on factors, such as: (a) the cost of construction per square metre through the application of the contractor's test method, (b) detailed calculation of standard cost of construction of different types of properties, and (c) consideration of location, nature of ownership, built-up areas, etc., in finalising assessment. In both cases rental standardisation is based on physical characteristics and unit cost of construction, differential rates for posh localities, and annual revision of unit cost of construction are additional features in Bombay.

3. The seminar participants "agreed that standardisation of assessment and valuation procedures would go a long way in minimising the discretion of lower level personnel" and that locality or block-wise letting values should be fixed to facilitate assessment (p. 127).

One should appreciate in this context that standardisation of letting values for determining ARV is a procedural refinement for assessment/valuation on the existing rental base and not a tax on area measurement alone. Secondly, there are problems associated in according a legal cover to formalise the standardisation procedure, as this might alter the rental tax base; since rent standardisation is still practised on the ARV concept, it is not the same thing as an 'area method' of taxation. Thirdly, rental standardisation for assessment purposes is not a panacea for getting around the problems of rent control; it can only rationalise the assessment system below the fair rent limit.

Apart from the Bangalore and Bombay attempts, mention may also be made of a more comprehensive system of such standardisation practised in Kerala on the basis of six different locational types and six different structural types of buildings in various zones of a city, like:

(Rs. per sq. m. per annum)

**ZONE I**

	<i>L1</i>	<i>L2</i>	<i>L3</i>	<i>L4</i>	<i>L5</i>	<i>L6</i>
T 1	35	32	29	25	20	15
T 2	24	22	20	17	14	11
T 3	15	14	13	12	10	8
T 4	9	8	7	6	5	4
T 5	5	4.50	4	3.50	3	2.50
T 6	2	2.25	2	1.75	1.50	1.15

					(Rs. per sq. m. per annum)
		ZONE II			
		L1	L2	L3	L4
T 1	—	25	22	19	15
T 2	—	17	15	13	11
T 3	—	12	11	10	8
T 4	—	7	6	5	4
T 5	—	3	2.50	2	1.50
T 6	—	1.50	1.50	1	0.75
					0.50

The age of building is not reflected in the standard letting values; a range in such letting values has to be adopted to make allowances for age of the building. The actual assessment of buildings in the same class may rank between 10 per cent above and 10 per cent below these averages, depending on the age of the building.

In Kerala this form of rental standardisation is effective for two reasons: (a) the city-sizes are small, so that a 6 x 6 classification for a number of zones could adequately reflect rental variations (this would be difficult in a metropolitan centre); and (b) the rent control law in Kerala is liberal enough to define fair rent in terms of municipal valuation and other relevant factors; this is not so in most other states so that the problem of valuing old properties or high-value properties subject to rent control cannot really be solved through rental standardisation.

—ABHIJIT DATTA

### Inventory Management

Institute for Financial Management and Research, Madras, 1980; pp. 173, Rs. 40.00.

The publication seeks to provide information regarding the pattern and problems of inventory management in India on the basis of a survey of a sample of companies operating in the country. These companies include a cross-section of Indian, Indo-foreign and public sector units.

Inventories exist in various forms, such as stocks of raw materials awaiting production; stocks of partially completed products or components; stocks of finished goods lying at the factory; goods in transit; goods in warehouse distribution points; and goods in the retail store anticipating consumer demand. Inventories are accumulated at each of these stages to meet certain economically justifiable needs. However, existence of each type of inventory at these various stages involves distinct cost associated with it. Any additional item carried in inventory amounts to extra cost incurred. It is, therefore, imperative that there should be adopted a policy to determine the optimum level of inventory which balances the demands

of the production and transportation facilities and the implication of consumer demand against the cost of excessive inventories.

The study emphasises that the basis of effective inventory management lies in the recognition, definition, control and optimum balance of the costs associated with inventory, like: (a) procurement costs and/or set-up costs, (b) inventory holding costs, (c) shortage or stock-out costs, and (d) inventory control or systems cost. It is true that a larger inventory provides protection against unexpected delays and shortages. But inventory has an opportunity cost because the resources locked up by it have alternative uses. Therefore, it is necessary to strike a balance between protection against stock-out and the rising cost of storage. This would, however, require developing accurate cost figures, as for instance, how much does a stock-out cost, and what are the inventory carrying costs. The important factors influencing inventory management include: (1) availability of credit in the economy, (2) government policies and the role of canalising agencies in procurement and distribution of materials, and (3) complexities of business.

The two basic problems associated with carrying inventories are: (1) the future demand for an item can seldom be predicted with complete accuracy, and (2) the lead time from order to delivery is subject to variation. Of course, each of these uncertainties can be quantified by using statistical methods. The future demand for goods can be classified into three categories. The first category is that of inventory problem under certainty when it is possible to know exactly what the future demand for goods will be. The second category is that of inventory problem under risk when one can know the probability distribution of future demand for goods. Thirdly, there can be inventory problem under uncertainty when one is entirely ignorant of the likelihood of various levels of future demand for goods.

There are costs associated with the frequency of ordering and also with the holding of inventory. These are opposing costs in the sense that the rise in one cost corresponds to a fall in the other. It is important, therefore, to properly determine the level of inventory for a particular item that should be held and how much should one procure in a lot or produce in a production run so as to balance the opposing costs in order to minimise the total costs involved. In the inventory problem situation of certainty, the demand is assumed to be known. Economic order quantity (EOQ) is taken as that size of the order which minimises the total cost computed as the sum of the ordering cost and the holding cost associated with the order quantity.

The findings of the survey included in the present publication reveal that many of the respondent organisations have faced difficulties of different sorts in using EOQ. Among the difficulties encountered are large fluctuations often experienced in respect of the consumption and the procurement lead time for a large number of items. There are a number of specialised items which can only be obtained from limited sources or even a single source of supply, thereby restricting the application of EOQ. These suppliers quite often

insist on certain minimum quantities of order, which happen to be much in excess of the EOQ. Also, the estimates of procurement lead time for calculating EOQ get upset because of frequent supply interruptions from factors, such as labour unrest, erratic power supply and transport bottlenecks. In addition, there are situations where supplies can be had only in lots well below the EOQ.

The respondent organisations in the survey conducted for the study present a very high degree of variation in respect of the procurement lead time, which is greatly influenced by the conduct and credibility of the suppliers. It is, however, possible to cut short this lead time by effective purchase follow-up action thereby reducing investment in inventories. The study points out that there are a number of stages of procurement delays, such as DGTD clearance, foreign exchange clearance, port congestion and customs clearance, in which cases considerable reduction in lead time can be achieved by proper streamlining of procedures and formalities.

The survey which elicited response from 48 companies, belonging to 24 different industries, has revealed that industries were carrying, by and large, more stocks of raw materials, including spare parts and imported items, than suggested as norms by the Tandon Committee. The study rightly points out that effective inventory management should be based on selective approaches to inventory control, which require an understanding and knowledge of the nature of the inventories in order to properly analyse and classify them. For the purpose, all items used in an organisation may be divided into two groups, namely, (i) repetitive items, and (ii) non-repetitive items. Different procurement and inventory control policies would need to be adopted for repetitive and non-repetitive items.

It has been mentioned that A-B-C analysis is of immense help for controlling the procurement and replenishment of all repetitive items. This analysis enables allocating, selectively, the available control effort so that the effort expended on each item of inventory is proportional to its importance in terms of its consumption value. The study also mentions other methods of classification of inventories, such as, V-E-D analysis, V-E-I-N classification of the equipment, H-M-L analysis, S-D-E classification, G-NG-LF analysis, S-OS analysis, F-S-N analysis, etc. The study recommends that an organisation should choose a method of classification suitable to the nature of the inventories carried by it. It also suggests that it may be advantageous in some cases to use more than one method in conjunction. The various methods of classification of inventories are useful for controlling inventories selectively.

The study has advocated adoption of organised standardisation by the industry, which is of great help in efficient working. Standardisation reduces process time and paper work in production planning, and enables an effective coordination between the various departments of the industrial unit.

The study has pointed out that even though factors like governmental

policies and procedures, transport bottlenecks, power shortages, etc., act as impediments to the application of scientific techniques to inventory management, some of the companies surveyed were successfully able to tackle many of these problems with their better organisational and managerial abilities. However, according to the study, the external factors in India considerably contribute to excess inventory accumulation by industrial units. An efficient inventory management requires a significant change in the role played by the government. The import trade regulations should be administered in a flexible manner so as to avoid bunching of imports. The policies adopted by the State Trading Corporation should be such as would help avoid overstocking and under-stocking by companies. The railways have also an important role to play in better inventory management. Wrong policies adopted for location of industrial units result in excessive inventory building. The study also refers to the strategic role of banks in effective inventory management. It suggests that the Reserve Bank's credit regulation policies should allow for sufficient freedom to banks to pursue flexible policies concerning individual clients. The study advocates discretionary lending by banks rather than adhering to rigid formulae. According to the study, the mania for controls must go.

In a mixed economy where planning by government plays an important role, it is not possible to do away with controls and regulations as has been suggested in the study. That part of the study which makes recommendations for removal of governmental controls and regulations and for liberalisation of other policies needs to be elaborated more convincingly after making an in-depth study of the various issues involved. It must, however, be admitted that the study has provided highly useful information regarding problems of inventory management in the Indian context.

—K.L. HANNA

#### **Politics of Multinationals—A Pattern in Neo-Colonialism**

MOHINDER KUMAR SAINI, New Delhi, Gitanjali Prakashan, 1981, pp. 342, Rs. 125.00.

In the context of the overall concern for economic development by the less developed countries, and particularly the need for technological innovations in the process, the role of the multinationals (MNCs) assumes great significance. In recent years social scientists in the developing countries have shown increasing interest in investigating and understanding the role of the multinationals. Though much work in this field has been done by scholars in the developed countries and also by some in the third world countries, very little has been done in India to analyse the MNCs' influences (covert or overt) on the industrial and economic policies and processes of the host

countries and the inter-linkages between the MNCs and the political leaders and decision-makers in these countries.

In view of the paucity of research in this area the work undertaken by Saini is an excellent effort. The study covers a wide panorama, touching both the economic and political facets of the problem, even though the title of the study is 'Politics of Multinationals'. The book has been divided into eight chapters. In the introductory part a general review of the development of science and technology in the twentieth century against the background of the nationalist movements in the third world countries has been attempted. Also, it has been shown how in the post-independence era the links between the former rulers and the ruled countries have continued *via* the MNCs because of economic and industrial imperatives. Hence the importance of the role played by the MNCs in the development process, about which there are widely divergent opinions in India and other countries. The second chapter has been devoted to the somewhat semantic problem of defining the multinationals by various scholars and agencies such as the UN committees, conferences, etc. Also, a distinction has been sought to be made about the differing nature of multinationals having their origin in the capitalist countries and those from the socialist countries. The third chapter is the biggest dealing with the beginnings of the multinationals in India, the status of their branches and their subsidiaries, their economic holding, their capital participation, and the nature of their collaborative agreements. The whole gamut of foreign collaboration has been discussed. The fourth and the fifth chapters, in a way, reflect the pros and cons of the multinationals. A detailed analysis has been attempted about the claims and counter-claims put forth by the protagonists and antagonists of multinationals. For instance, the arguments advanced by the MNCs, that they are a vehicle for transfer of technology and modernisation, that they are instruments for increasing employment and welfare institutions, etc., have been critically examined and found to be lacking substance. Through various facts and figures it has been shown that they, instead of bringing the required capital to start their ventures in the host countries, tap the local resources quite to an extent. Similarly, their claim that they promote modernisation through education and training is also not true because the training imparted is of a very narrow and limited nature suited to their own particular needs. The major criticism levelled against the MNCs by their critics such as their challenge to the national sovereignty of the host country, their bringing in foreign culture, their impact on the domestic political processes and public policy of the host countries and their encouraging brain drain from these countries have been dealt with in fair detail. The different advertising and public relations techniques of the multinationals and their pernicious influence on the consumers have been described. Also, the effect of brain drain (the reverse transfer of technology) has been analysed. In the sixth chapter the author has tried to show how the MNCs operate in India and how they impinge on the political and economic

fields. The various lobbying techniques adopted by the multinationals to influence administrative and political processes have been illustrated by giving examples of their operations from India and other countries. Seven cases of MNCs in India have been examined to highlight their behavioural pattern. These cases relate to the Britannia Biscuit Company, Dunlop India, the IBM, the Calcutta Supply Corporation Ltd., and the pipeline case in which the Bechtels Corporation was involved. In the seventh chapter it has been argued that the multinationals represent a form of neo-colonialism and essentially are a follow-up of the earlier efforts by the colonial powers to dominate the underdeveloped parts of the world. It has been shown that under the garb of US Economic Aid the MNCs were benefited. The chapter contains a list of companies in India which received considerable loans from the PL-480 funds. In the last chapter the author summarises his findings and gives general observations, the major points of emphasis being the continuing effort by the erstwhile colonial powers to dominate and exploit the developing countries; the operations of the MNCs posing a threat to the national integrity and sovereignty of the developing countries.

The author has made serious effort to study the problem in its various dimensions but by the very nature of the problem he has had to rely on the available sources which in many cases are inadequate. In the absence of authentic and critical material on the working of the multinationals any effort at constructing balanced hypotheses and testing and confirming them becomes hazardous. The author himself realises the problem when he deals with the techniques adopted by MNCs to topple governments through *coup d' etat* and he says: "in the absence of adequate evidence in the Indian case it is difficult to indicate that the MNCs had even sought to overthrow the elected government or attempted *coup d' etat* either on their own or on the advice of their own" (p. 214). Nevertheless, it can be regarded as one of the pioneering works in this field which will draw the attention of many more researchers, scholars and policy makers so that a fuller and more informed debate on this vital subject can take place.

—S.P. VERMA

#### We are the Living Proof... The Justice Model for Corrections

DAVID FOGEL, Ohio, Anderson Publishing Company, pp. 338.

What can prisons do? And what can we do to prisons? These are two simple questions for which David Fogel seeks to find solutions in his highly perceptive and intensely provocative study of the prison system. Written at a time when the entire discipline of penology is assailed by myriad doubts and perplexities, it is a scathing attack on the existing system and presents, in the author's words, an alternative 'justice model of prisons'. In attempting to come to grips with a subject so steeped in controversy and ideological

obfuscation, the author succeeds in projecting a world view of the problem with deep historical insights. Notwithstanding the reservations one may have about the model, the effort is praiseworthy because it is the result of a remarkable combination of administrative experience and academic skill.

Unlike many penologists, the author is pragmatic enough to acknowledge that there is little likelihood of pulling down the walls of prisons despite the disillusionment with an institution which has emerged through historical compulsions as a necessary evil. It is difficult not to agree with him when he says: "The prison as we know it will survive at least for the immediate future. The first task of this generation of correctional administrators would be to develop an impetus that begins the planned end of the fortress prison system." Once this premise is accepted—and accepted it must be because alternative choices are nowhere to be seen—the author's major concern is to make the best of society's bad bargain and suggest innovations which have a sense of proportion and cognisance of reality. This is really what the book is about.

Not a little of contemporary literature on crime and punishment concerns the inmates of prisons, the inter-personal and group tensions in closed settings, the loneliness and monotony, the human wastage and the final failure. Rarely are the plight and loneliness of the 'keeper' studied. Fogel highlights this comparatively neglected area and examines the fossilisation of the role of the custodian and the impact of this neglect on the system as a whole. The prison guard is as much a prisoner of his circumstances and environment as the man whom he holds in confinement. The task of the guard which, at one time was unique as a 'slave overseer' is now highly complicated and difficult due to the induction of reformist ideology and the correctional strategies for which he is neither prepared nor trained. "The guard has always been linked in a shared fate with the convict. They become victims of society's ambivalence to crime and its treatment. In their mutual anger, the keeper and the kept have only occasionally caught glimmers of their common nemesis—the caging of one set of human beings by another."

The author's forthright assessment of correctional ideology as a total failure may not be pleasing to correctional administrators, but facts cannot be washed away in tantalising rhetoric. The failure of the reformist ideal is writ large on prisons, however humane and paternalistic they may be, for the obvious reason that rehabilitation is virtually untenable in a punitive setting. The educational and vocational skills which are imparted as a part of this effort have no more than marginal impact since they have little relevance to the situation which the prisoner faces in and out of the prison. The author then moves on to what has become increasingly compelling, the need for protection of the rights of the prisoners whose transition from the 'penitent to the plaintiff' is a development which requires to be handled with sensitivity and genuine concern. In the USA, the courts have discarded the age old isolationist policy; they have begun to intervene in all facets of prison

administration insofar as they impinge on the human rights of prisoners subject to the limits of erosion which are implied in the judicially ordained deprivation of liberty. The trend has created an entirely new situation. While it can lead to a desirable diminution of arbitrariness and unbridled discretion of the prison administrator, other adverse effects have also surfaced as it introduces as extraneous element of judicial interference resulting in goal displacement and loosening of disciplinary control.

The most constructive part of the book lies in the presentation of the 'justice model for prisons' which attempts to place incarceration as a "part of the criminal justice process in a proper perspective". The essence of Fogel's argument is that imprisonment should be viewed as a temporary deprivation of liberty, as punishment, and not as a means of rehabilitating the convict which he describes as an "influence attempt based upon operationalizing justice". His model does not ignore the need for humanising the prisons consistent with the dignity of man; it even suggests the induction of a more competent method of community participation through a prison ombudsman. This model may disappoint the enthusiastic protagonist of reformation who hopes to convert the punitive settings of prisons into centres of education, vocational training and even transcendental meditation, but the series of failures of rehabilitation strategies adopted for a century and more should caution us against any further 'trial and error' which have become synonymous with corrections.

Fogel's penetrative study has come at a time when we in India are equally perplexed and confounded by the array of failures in the functioning of the criminal justice system. Having adopted the Anglo-Saxon model of justice administration, it is not surprising that our institutions too have displayed the same imbalances and distortions which the author projects in the American context. His attack on indeterminate sentences is unexceptionable; equally valid is the criticism of the vagaries of the sentencing policies and the erratic procedures of parole. The prospect of an upsurge of prison violence looms large on the Indian scene as recent incidents have demonstrated. If we are prepared to accept our limitations in reforming the convict our efforts can be concentrated more purposefully in making the incarceration meaningful as a punishment and help the offender to come to terms with himself and his custodian.

As long ago as in 1922, George Bernard Shaw said of the prison reformer: "...if any person is addressing himself to the perusal of this dreadful subject in the spirit of a philanthropist bent on reforming a necessary and beneficent public institution, I beg him to put it down and go about some other business. It is just such reformers who have in the past made the neglect, oppression, corruption and physical torture of the common goal the pretext for transforming it into that diabolical den of torment, mischief and damnation, the modern model prison." The vitriolic account which is so characteristic of Shaw may be overdrawn, but, in essence, it is valid even today.

Fogel's book raises a number of issues while trying to answer the two questions with which I began. What is the social purpose of the prison? Can it be done away with? If not, is it possible to reconcile the apparently conflicting objectives of discipline, security, treatment and reformation? What is the nature of services required to raise the prison to the level which human dignity demands? And what should be the system's accountability in law and administration? The author's justice model may not provide all the answers or yield a formulation for reform, but the real value of the book lies in the fact that it enables the interested citizen to understand that the prison does not represent the end of the criminal justice drama. What the prisons do to men is vitally important because if we know it, we may also know what to do with the prisons.

—S. VENUGOPAL RAO

### Some Economic Aspects of the New Soviet Constitution

GIRISH MISHRA, New Delhi, Allied, 1980, pp. 75, Rs. 25.00.

Constitutional studies have generally been studies of structures or they spring from a juridical point of view. It is also not uncommon to see comparative studies of various constitutions. However, it is rare to come across studies which relate the economic structure and development of a country and the emerging social relationships to the structure and principles of a constitution. The present study is an exercise of this kind which tries to appraise the new Soviet constitution of 1979 in the context of the development of the Soviet socio-economic system.

That is to say, one witnesses a two-way relationship between the emerging social structure and the juridical framework prescribed by the constitution. It shows that a given constitutional framework enables a society to pursue a particular path of development determining the basic content of such developments. On the other hand, as the society develops, a given constitutional framework which initially supports and sustains a particular path of development, becomes outdated and in course of time the developments outgrow the constitution. In the situation, further development requires that a new constitutional structure is laid down so that the constitution becomes an instrument not for fettering but for furthering development. As Lenin says about the Soviet constitution of 1918, "the Soviet constitution, ratified in July, is as we know....not the creation of lawyers nor is it copied from other constitutions. The world has never known such a constitution as ours. It embodies the workers' experience of struggle and organisation against exploiters both at home and abroad." The new constitution demonstrates that the workers' experience not only of struggle against exploiters, but also of building a new society, based on the creative application of the principles

of Marxism, has given to Soviet society a new meaning and geared them to newer goals.

Thus when in 1936 the second Soviet constitution came into operation this was the constitution of a socialist state, while the earlier constitution was one of a socialist state in transition. Between 1936 and 1977, the Soviet society has moved towards what the Soviets themselves call a mature socialist society. To consolidate the new situation and to respond to the new challenges, a new constitution became imperative. For by now not only nine five year plans had been successfully completed, but the tenth plan is attempting to carry forward the work of building the material and technical basis of communism, enriching social relations, and moulding a new man of hitherto unprecedented consciousness and commitment. Certainly, by incorporating certain principles in the constitution, this task is not accomplished, but only a framework for effort in this direction is prescribed. Since there does not exist any private property and the Soviet society consists of the working class, the toiling peasantry and the people's intelligentsia, it is a constitution of the whole people, expressing the will and interest of all its people and nationalities. Incorporation of this characterisation of the state prescribes the operating principles for Soviet planning and policies. This is because unlike other constitutions, which are largely and manifestly politico-legal documents, the Soviet constitution derives from the Soviet economic system and defines it too.

Dr. Mishra's book is an attempt at a systematic analysis of the inter-relationship between the Soviet economy and the Soviet constitution. This is a study that goes beyond the narrow confines of public finance and views the Soviet constitution and its complex provisions in the entire framework of Soviet socio-economic system. It not only discusses the economic rights and duties of the Soviet citizens, but also the economic relations between the federal centre and union republics, autonomous republics and regions and areas. Insofar as it lays down the guiding principles of Soviet foreign policy, it also becomes a charter for the Soviet Union's international economic relationships, particularly, with the countries of the third world.

The book thus is a timely addition to the growing literature on various aspects of Soviet society based on a distinctly Indian point of view. Rather than viewing every society through the borrowed prisms, particularly of Anglo-Saxon origins, this is a study which attempts to develop its specific methodology of analysis,

—KAMAL NAYAN KABRA

### **Political Science in Transition**

J.S. BAINS AND R.B. JAIN (eds). New Delhi, Gitanjali Prakashan, 1981,  
pp. 290, Rs. 95.00

This is a collection of essays written in honour of Professor Harnam Singh who retired recently from the Delhi University as Professor of Political Science after a service of more than three decades. The theme of the book grew out of a seminar organised by the Department of Political Science of the Delhi University in March 1978. The essays here are some of the significant papers presented at the seminar, of course, in a revised and updated form.

Professor R.B. Jain and Professor J.S. Bains have edited these contributions which cover five major themes in political science, *viz.*, (a) nature, role and approaches to political theory, (b) trends in the theory of international politics, (c) expanding frontiers of public administration, (d) new directions in comparative politics, and (e) approaches to the study of politics in India. These themes have been discussed in the light of developments in the third world countries, particularly India. The contributors are nineteen eminent scholars from both India and abroad.

Editor Jain writes on 'The Emerging Concerns of Public Administration' in which he holds that public administration in orientation and literature, in research activities, concepts and techniques, has grown too large and heterogeneous to remain now a sub-division or sub-discipline of anything (p. 164.) He refers to the post-1968 'new public administration' which stands against positivism. The new public administrators rightly believe that value-neutrality is neither possible nor desirable in public administration. In fact, this question of value is agitating public administration as much as it does political science and has become a theme for debate in social sciences. Jain pleads for a 'moral concern' of public administration (in India) which can also serve as a 'guiding theory' for the discipline. He has successfully exposed its conceptual problems and has also pleaded for healthy 'intellectual leadership' for its expanding frontiers.

Professor P.D. Sharma in his article 'Public Administration: the Quest for an Academic Umbrella' has presented the academic scenario of public administration in the developing non-western world, especially in India, as a sub-field under the tutelage of political science and feels disappointed that the teaching of public administration at undergraduate and postgraduate levels is just a fruitless exercise, "without the soothing shade of the academic umbrella of political science" (p. 160).

Writing on "Managerial Effectiveness in Developing Countries" Professor O. Glenn Stahl is more concerned with transferring managerial success to the less developed countries. The difficulties are many, the causes are three—culture, habit and attitude (p. 181). Unless these three are tackled successfully any plea for improvement of public administration will be a fruitless exercise. Stahl's probe exhibits his great concern for the developing

countries, including ours, and it covers a wide ground. The theme of political theory has drawn the attention of scholars such as Professors J.N. Khosla, Frank Thakurdas, L.S. Rathore, M.M. Sankhdhar and Sudipta Kaviraj.

In his thought-provoking article, 'Political Science in Transition: An Overview', Khosla raises the real issues about the explosion in science and technology, growing urbanisation, industrialisation, social tensions, socio-economic problems, participation and development and their impact on political science which is fast growing and developing to meet the new challenges.

Thakurdas discusses 'The Problem of Approaches and Interpretation of Political Theory' covering a wide canvas from Socrates to Sartre. He refers to the recent developments in political theory—'political anthropoloy' and 'political sociology' in understanding third world problems. He believes that "the behavioural school has failed because of its neglect of some hard non-social, political values..." (p. 15). But, after all, the critic seeking to interpret one theory or the other is indeed a theorist himself.

Similarly Rathore suggests that the most probable course for political theory ought to be to preserve its reflective, appreciative or traditional character, rooted in prescriptive values, stimulative convictions and macro-generalisations, arrived at by historical experiences and current observations.

Sankhdhar considers the 20th century as barren, having no creative thinking, no cross fertilisation of ideas and no political synthesis. Poverty of thought and impoverishment of political speculation is conspicuous. Kaviraj raises a few questions in the context of Kuhn's theory of paradigms in Kuhnian fashion and considers methodological concern as the core of a political theory (pp. 48-55). This article deals with a major problem in political enquiry — the massive positivistic consensus and the anti-positivistic trend, both phenomenological anti-positivism of Husserl, Hegel and Kant and the Marxian methodological position as explained by Barry Hindess (pp. 60-61).

Professor S.A.H. Haqqi in his article 'Political Analysis and Research Methodology: Problem of Locus and Focus', appeals to political scientists to evolve very carefully desirable measures for the improvement of research methodology in political science, and to use judiciously and effectively whatever limited money and other material resources may be found available, from any governmental or semi-governmental sources (p. 79).

"The Nationalisation and Internationalisation of Political Science" is the attractive title of Professor Norman D. Palmer's article which refers to the growth and development of political science both in India and the USA. He pays tribute to Kautilya, but feels that it was in USA that political science achieved an 'identity'. In fact, at the international level, political science is still a 'western' rather than a 'global' discipline (p. 97), with very limited participation from third world and socialist countries. This challenge has to be accepted and political scientists of the third world need to be more active and more vigilant.

Professor Surinder S. Suri refers to the revolutionary changes taking place in the concept of political science in the context of "the decline of the older nation-states to the status of client-states of the super-states" (p. 127), and the 'rise of neo-territorial states' such as Israel, UAR, North and South Vietnam, etc. Such developments, he thinks, have important consequences for political science (p. 127).

Two articles broadly relate to comparative politics. Professor C.P. Bhambhani presents a critique of the contemporary framework of comparative politics and pleads for 'a proper historical perspective' (p. 210) for the understanding of social reality in totality. Noor Jahan Bava deals with the linkage between the 'political system' and 'political culture' and in this context refers briefly to the new directions in comparative politics.

The theme of trends in the theory of international politics is done mainly by Professor L.P. Singh and Indu Vohra-Sahu. While Singh refers to 'Non-Alignment, the Third World and Petro Power in World Affairs', Vohra-Sahu deals with 'Recent Trends in International Politics: A Third World Perspective'.

Singh covers non-alignment from the days of Nehru, from 'keeping away' from power alignments in 1946 to the 1974 resolution of the third world countries. Since 1973, the rise in the economic power of the OPEC states has enabled "the non-aligned movement to display a new sense of power and dynamism at international gatherings" (p. 123). Singh rightly remarks: "Such developments will enable the new world to acquire the ability to redress the balance with the old" (p. 124). Indu-Vohra-Sahu raises such issues as 'quantitative changes in international politics' and 'qualitative change in areas such as technology, thermonuclear weapons, strategic military planning, ideology, environmental threat, over population and dwindling food supplies', but misses to refer to the problems of military dictatorships in the third world countries which hamper their effort towards effectiveness and to the problems raised by such new political systems as that of Nepal and Sri Lanka.

Approaches to the study of politics in India is an important issue of discussion by Professors H.M. Jain, K. Seshadri, Balvir Arora and J.S. Bains.

H.M. Jain gives a good account of the different approaches and he is correct in his assessment that "Political science is not only the technology of politics, but also its ideology" (p. 226). There is a strong indictment of the behavioural school in his article and, undoubtedly, there is truth in it: at the same time, he suggests that there is a need to get away from the purely traditional view of studying Indian politics. Arora has evaluated the major features of the different theories of federalism, both legal-normative and behavioural-empirical, and the dynamics of the federalising processes in an effort to assess their relevance to the study of the Indian federal polity.

'Of Cabbages and Kings and Cucumber: Study of Political Science in

India' by Seshadri is not just a rhetorical article but an interesting review of the situation regarding the study and research of political science found in our country. There is a strong indictment of the political scientists in general who have not been able to rise to academic heights to which their peers in other disciplines in social sciences have risen and Seshadri pleads for a value oriented study of political science in India.

In the last article of this volume 'Political Science at the University of Delhi: Past, Present and Future' Bains makes some useful comments on the status of the discipline in general in India and at the University of Delhi in particular. He pleads for a more rational and unbiased approach to the development of the discipline in all its facets and streams and makes some tangible suggestions for improving the teaching of and research in the various sub-fields of political science, *viz.*, political theory, comparative politics, Indian politics, public administration, international politics, and area studies.

This book which adds to the scanty literature on political science in transition is most welcome.

—HEM NARAYAN AGRAWAL

**The Indian Administrative System—Essays in Honour of Ziauddin Khan**  
 (Ed.) RAMESH K. ARORA et al, New Delhi, Associated Publishing House,  
 Rs. 65.00.

Wide ranging in its coverage, caused, perhaps, by a conscious selection of contributors who vary much in age as well as in approach, this volume of eighteen essays will be a useful addition to any collection of books on public administration in India. The book has been published under the auspices of the Centre for Administrative Change, an organisation of academics and administrators based in Jaipur, which has been making a valuable contribution to the study of public administration by bringing out such publications from time to time. This particular book is dedicated to the memory of late Professor Ziauddin Khan, who, during his tenure as head of the department of public administration in the University of Rajasthan, Jaipur, played an important role not only in raising to a high level the academic excellence of the department, but also in shaping the training policy and methods adopted by the State Government for its employees.

This volume is meant for persons already initiated into the study of public administration in India. There is thus only one essay on the history of administration by Professor L.S. Rathore, in which the British legacy of the district and its importance in the Indian system has been brought out well indeed.

Some of the essays are basically descriptive in nature, like Professor A. Avasthi's account of the prime minister's position in the administrative

system, which is of highly topical interest. There are useful comparisons with the British and U.S. systems. The position of the politically 'light weight' but professionally competent ministers has been analysed. Other descriptive essays are Professor M.A. Muttalib's on central personnel agencies wherein some basic issues are discussed; Miss Meena Sogani's on the coordinating role of the chief secretary in state administration, with particular reference to Rajasthan; Sunanda Gupta's on administration in broadcasting; Satish Batra's analysis of legislative questions in the Rajasthan Assembly which proves statistically what is perhaps well known, that the legislator is not ordinarily interested in the overall efficiency of the public sector but seeks redressal of individual grievances; a similar analysis by Hoshiar Singh of legislative assembly questions as a means of legislative supervision and control over municipal administration also shows the same lack of general interest; and an account of land reforms in Andhra Pradesh by Professor P.A. James. In view of the considerable variations which exist in our country in respect of details of administrative procedure and experience, essays which contribute to comparative studies are always valuable.

There is, naturally, a group of essays on the administrators themselves, namely, Professor Satya Deva's analysis of bureaucratic power; Hari Mohan Mathur's examination of inappropriate attitudes and their correction (hopefully!) through training; an interesting pre-research survey of the intellectual achievements of Indian administrators by P.C. Mathur, who however does not adequately cover the efforts of the Rajasthan Government over two decades to encourage study and research by its employees through schemes of merit, pay, cash reward, etc.; and G.B. Sharma's reflections on representativeness in the social composition of Indian bureaucracy; the last essay being very relevant to the present wave of agitation in favour of castewise reservations. Some very refreshing views are expressed! It is interesting to notice that, in spite of the emergency having displayed the ease with which the administrative machinery can be operated to suit political objectives, there are still beliefs like "....often a Minister only signs on the dotted line on papers presented by bureaucrats". Also, there seems to be a populist posture in discussing elitism. There is some element of confusion with caste because the classification of recruits is mainly on caste lines and not related to the social background of the recruits with reference to the income stratification which exists in Indian society. Every type of human social structure has an elite. What would interest a student of Indian society is how far the higher ranks of not only administrators but also entrepreneurs, 'professional' politicians, lawyers, technologists and teachers, are open to the meritorious but poor. What are the chances today of the son of a widowed Brahmin school teacher or of an Oswal LDC becoming a collector, compared to the chances of the son of a Bishnoi farmer with ten hectares of canal irrigated land, or of a Lohar operator of mechanical shovel, or of a Maheshwari share broker, or of a Saraogi money lender? Are such chances worse than any of these

sons becoming an industrialist or a minister?

For scholars interested in administrative structure, there are essays on the ever-present problem of decentralisation to the district and lower levels, namely, Professor Iqbal Narain's on the concept of the C.D. programme; Sudesh K. Sharma's on rural democracy; and one on district planning by Rakesh Hooja. These essays emphasise the relationship between economic development through bodies at district or lower levels and devolution of resources. Professor V.S. Murti's essay on administrative organisation for socialist programmes is thought provoking, emphasising the need for proper mental attitude. A very interesting essay is on boards and commissions in India by Professor H.J. Pandya. He has mentioned what has been noticed by many experienced administrators; that these devices (except where provided under the constitution), adopted ostensibly to ensure good management, free from political and bureaucratic tutelage, often mean direct interference by the concerned minister or secretary without the normal checks and balances provided by the movement of files to 'servicing ministries' like finance, personnel, planning and law. One apparent result, due to the problem of unemployment, is over-staffing existing in most of such bodies! Vijay Verma's plea for reform in census administration is an essay on a very particular subject, but of great relevance to all scholars and planners.

—MOHAN MUKERJI

**State Supervision over Municipal Administration—A Case Study of Rajasthan**  
**HOSHIAR SINGH**, New Delhi, Associated Publishing House, 1979,  
 pp. 169 + appen. and bib. Rs. 50.00.

The volume under review attempts to pose the question of what should be "the extent of control that the State Governments can legitimately be allowed to exercise consistent with the interests of efficiency on the one hand and of local freedom on the other" (p. 3). The volume contains a case study of State supervision and control over municipal administration in Rajasthan. It has also taken recourse to a sample survey of urban political leaders and municipal officials.

Divided into six chapters, the author probes the mechanism of supervision and control in the first chapter and the legislative, administrative, financial and judicial supervision and control in the subsequent. But the main thrust of the study is on the administrative and financial supervision. Chapter six contains a summary of the conclusions and the suggested lines of reforms for refurbishing state supervision.

Analysing the mechanism of supervision, the author comes across with too many agencies both at the state and field level, viz., the department of urban development and housing, the directorate of local bodies (DLB),

and a host of technical departments at the State level and the district collector and the SDO at the local level. There does not exist a well demarcated boundary with respect to division of powers for supervision and control at the two levels. Although the control over municipal administration vests primarily with the DLB, there is no clear idea regarding the division of powers between the directorate and the State Government. At the field level, the power to call for the records of the civic bodies and to revise the orders has been kept away from the director of DLB because he belongs to the State service and therefore cannot be made superior to the collector, belonging to the Indian Administrative service. Apart from these conflicts and overlaps, built into the system, the author, on the basis of several case studies, observes that the DLB has not been able to do properly the job assigned to it because of these conflicts and overlaps. Moreover, there have been instances of abuse of power both by the DLB and the revenue officials. In many instances, the author observes, the field agencies have been instrumental in facilitating the 'percolation of State politics' down to the local levels.

The volume contains an interesting account of the extent and coverage of state administrative powers which are substantial including even petty matters and small items leaving no initiative with the local government. Coming to financial supervision and control, the author argues for better control from above for toning up the tax assessment and collection machinery, reforming the grants-in-aid system, tax sources, budgeting techniques, and audit system.

In order to rationalise state supervision the author pleads for the reversal of the present trend of the increasing use of powers by the bureaucrats both at the directorate and the local level, so that that could effectuate the much talked about democratic decentralisation. It calls for major reforms both in the inner structure of the civic bodies as also in the outer controlling devices. But the suggested reforms are limited to the latter; for instance, creation of an autonomous board or commission for municipal supervision and control having a chairman, to be elected by the presidents/chairmen of the various municipalities, and four members with expertise in engineering, public health engineering, judiciary and administration. Such a board or commission, having autonomous character, would probably insulate it from politics and would also make its function more objective. Other suggested reforms pertain to the setting up of a state municipal finance commission and a reorganisation of the budgeting and audit system.

One would however take the suggested reforms not without a bit of scepticism. The malady afflicting the municipal administration and finance in our country is deep rooted and requires a major reform of the organisation and finance set up. Isolated steps to refurbish the outer control mechanism would at most prove to be a mere holding operation. One also feels that the author should have avoided the social survey research technique for this type of study. Sampling of opinion of the municipal leaders and officials

for the study of state supervision and control over municipal bodies neither touches the core of the problem nor is it relevant for suggesting reforms. At places the author has stretched the opinion of the respondents too far. A case in point is the observation on page 117: "50.90 per cent of the respondents of our study opined that the grants were given to the municipalities on party grounds. If the municipalities are governed by the party in power (at the state level), they get more grants". This could have been put forth more forcefully by studying the political parties in power in the municipalities and the total grants received by them. Taking recourse to the sampling of opinion has made portions of the volume less important and also redundant at places.

—GANGADHAR JHA

**Atrocities on Scheduled Castes in the Post-Independence India (15th August, 1947 to 15th August, 1979)**

N.D. KAMBLE, New Delhi, Ashish Publishing House, 1981,  
pp. 528, Rs. 150.00.

Centuries ago the Buddha, the unsurpassed spiritual genius that India has gifted to the enlightenment of the world, has emphasised that any social system is essentially man made and the injustice it seeks to perpetuate can be corrected by changing its structure in accordance with broad and basic humanistic principles, using pacifist means. Caste, according to him, is an institution built into the human mind steeped in superstition and ignorance and its absurdity will become automatically exposed once the mind is redeemed from the obsessions to which it is enslaved. However, India has continued uninterruptedly the indigenous slavery conceived by its social system to weaken itself and has become a prey to foreign invasions over a millennium, forced several millions of its people to embrace alien faiths as the sole means of their survival, and finally parted with an immense portion of its territory under the inescapable political compulsion arising from the social antithesis to which it has liberally subscribed.

While every other religion of the world has absorbed into its fold the indigent and the weak for strengthening and ennobling their existence, the Hindu faith has sold out for eternity a sizable section of its helpless children to other religions and once they gained progress, it strangely allowed them to be a partner in the continuing suppression of the very same social groups from whom they emerged.

Conversion has thus only added to the woes and miseries of the oppressed Hindus by the inherent contradictions consciously fostered by their own society. The inability of the Hindu leaders to realise the bitter truth associated with their erratic social set up remains as the biggest stumbling block before the evolution of India as a powerful nation.

Kamble's book is a timely reminder that if the Hindu does not change

his attitude towards his humiliated co-religionists, the country cannot regain its moral stature, intellectual power, or international image.

The book simply lists the acts of atrocities committed on the weaker sections and does not venture to make any comment, positive or negative. In a way it is as mute as the humanity whose plight it seeks to ventilate. As a record of events and occurrences, collected from known sources, and as an authentic presentation of facts of a national social situation, it is of specific value to the students of social sciences and to the authorities concerned with the amelioration of the conditions of the depressed millions.

—S. N. SADASIVAN

### Rural Development in India: Some Facets

National Institute of Rural Development, Hyderabad, NIRD, 1979,  
pp. 560. Rs. 100.00.

The book under review has considerable significance as it comes out at a time when, on the one hand, we seem to be devising more and more sophisticated programmes for rural development while, on the other, we see the villages languishing and rural poverty and inequality increasing. In this context one really needs some standard book or books laying bare the rural problems and critically examining the ways open to us for bringing about a quick village transformation. This is not to say that the present book answers all the questions, but it goes a long way in meeting the object mentioned above; the contents cover a host of important and relevant issues pertaining to rural development.

The National Institute of Rural Development (NIRD) is well equipped to bring out a publication of this type for the Institute has to its credit a large number of research studies on rural development and has also considerable experience in organising and running training programmes covering different areas of rural development so as to be of use to the field staff, primarily, and also to the higher-ups.

The mention in the foreword that the volume contains lectures prepared by faculty members initially raises doubts about the usefulness of the exercise to the reader outside the training class. But as one goes through the pages one discovers to one's relief that most of the chapters have been recast with recent data (upto April 1979). The text is generally supported with relevant information in the appendices to neutralise the sketchiness and subjectivity of a lecture. Another plus factor is the empiricism interspersed in these chapters as, where necessary, the authors have drawn adequately from the specialised research studies conducted at the Institute.

The 26 chapters in the book are grouped into four sections: socio-economic scene (including demographic features, social structure, etc.);

approaches to development (including panchayati raj, voluntary organisations, locational aspects of planning, etc.); various programmes launched; and a section on organisational aspects.

Though the volume does not claim to be comprehensive, one limitation seems to be that the topics covered are predominantly of the farm sector. Those pertaining to handloom and handicrafts, agro-industries, animal husbandry, dairying, small industries, etc., are not there. It cannot be that the NIRD lacks expertise on these. Also, the administrative aspects of rural development have not been accorded due place. Though we face numerous administrative problems in planning and implementing village development programmes, this section has just three chapters—a general survey, another on raising resources through panchayati raj institutions, and a third on planning, implementation, monitoring and control. Problems of coordination due to the multiplicity of implementing agencies, personnel motivation, training, and other measures to refurbish the image of the bureaucracy, the steps necessary to get over the rigidity in the organisational ethos which pervades the grassroot level of administration, etc., are areas which can have been discussed; similarly tribal development aspects. Since NIRD has good knowledge of the issues of development omitted here, one may ask whether the information on these areas has been held back for a possible future volume.

Barring these, the NIRD deserves praise for bringing out a fine compendium on the different facets of rural development. With its built-in empiricism, it will be of lasting importance to academics and practitioners concerned with rural development problems.

This raises the question why other institutions of importance do not emulate the NIRD and bring out standard literature on their areas of specialisation. Such exercise will perhaps be one way to help the hapless reader or researcher from spurious books and high price (even the price of the present volume at Rs. 100 appears to be on the high side).

—M.K. GAUR



## **Book Notes**

### **Theory and Practice of Social Research**

HANS RAJ, Delhi, Surjeet Publications, 1979, pp. 484, Rs. 45.00.

As the demand for better understanding of social, political and economic problems has grown in our country, social science research has found increasing support. Since the advent of the planning era, the government has been a big promoter of such research. Apart from direct involvement, government has also suggested this endeavour through institutions like the Indian Council of Social Science Research. Private research institutions have also joined in the effort.

The result is that gradually the requirements of competent social science researchers have grown. In order to make any impact on the public policies, social research has to be methodologically sound. It is heartening to note that in the recent years efforts are being made to improve the competence of research and make them available such literature that can help them develop and execute rigorous research designs.

Hans Raj's book 'Theory and Practice of Social Research' is an attempt in providing a comprehensive description of 'how to go about doing social research'. He has dealt with various methods of research and also provided some statistical techniques that may be useful in analysing empirical data. The book has been written in simple language and has prescribed both the limitations and opportunities offered by a particular research method.

Due to its wide coverage and detailed descriptions, the book would be very useful for students and researchers alike. It will not only provide initial understanding of the entire research process but will also be useful as a ready reference to researchers.

—KULDEEP MATHUR

### **Urban Land Use Planning in Hill Areas : A Case of Shillong**

J.P. SINGH, Delhi, Inter-India Publications, 1980, pp. 192. Rs. 80.00.

The book first deals with the present status of urban land use studies with special reference to the contributions made by geographers and the methodology adopted by them in this regard. Secondly, there is a discussion on the origin and growth of urban Shillong and its demographic characteristics that form part of the study. Thirdly, various categories of land uses in the

town and suburbs of Shillong are dealt with in detail. Finally, the study identifies problems of urban land use and suggests measures to overcome them in future.

Undoubtedly the study enables us to understand the land use pattern of urban Shillong. But the usage of the word 'planning' is slightly misleading in the sense that the land use map given in the study has not been published by any planning organisation. The author has simply collected information from different sources and based on that, prepared a land use map of Shillong. How do we know that it is an effort toward 'planning' the land use of the area under study?

—GIRISH K. MISRA

**Politics of Development and Modernisation (The Communists, Islamic World and Liberals)**

P. K. SHARMA, New Delhi, Ashish Publishing House, 1980, pp. 210, Rs. 65.00.

In recent times a number of studies have emerged in India on the theme of political development and political modernisation. The distinction of P.K. Sharma's study is that its author not only gives his own interpretation of the terms 'development' and 'modernisation' but makes effort to stretch them to the extent necessary for his narrative.

In view of the enormous literature available on the topic, a study of this nature ought to have been micro-level or confined to a single country but the author has found it convenient to bring within its fold almost the entire world. Inescapably, therefore, the study has become sketchy. Where it deals with India, the author tends to adore personalisation of power as the effective method for development and modernisation. The author fails to understand that personal loyalties are not academic virtues and that the system has its importance over the individual.

The book lack instructive criticism and scientific analysis so essential for the objective exposition of its title. Nevertheless it has its own impact in the proliferation of contributions to political process.

—S.N. SADASIVAN

**The American Dimension : Cultural Myths and Social Realities**

SUSAN P. MONTAGUE AND W. ARENS, (2nd ed.), California, Alfred Publishing Co., 1981, pp. 167.

One of the serious problems in American anthropology is the acute need for more scholarly works on the society by 'native' anthropologists. This dilemma is unfortunate, considering the vast anthropological resources and personnel in this country. The classic studies by Warner and associates, Mead

and many others paved the way for the few studies in the succeeding decades. The book under review is a welcome addition to the anthropological literature on American culture by American anthropologists. In their preface, the editors succinctly explain the rationale behind the publication of this book:

The student of anthropology rightly expects that the course of study will introduce him to the variety of human experiences. Yet rarely does this include the study of American culture. This is an unfortunate oversight, because American culture is as rich and as deep as any other. Consequently, we feel that this collection of essays, by native Americans, fills a gap in a discipline that purports to examine the cultural universe. The analyses offered will not only tell us something about our hidden selves, but will help us to understand others in a more meaningful way.

The thirteen essays generally deal with the content of the mass media on the assumption that what is offered on television represent "the ideas and interests of a large number of Americans". In addition, the data is easily obtained. The essays cover a variety of topics, including American football, rock concerts, poker, soap operas, health food movement in the USA, rituals of the McDonald, coffee, graffiti, friendship, among others. The essays attempt to analyse and interpret anthropologically all these current institutions in the USA.

I consider this book very important, interesting, and stimulating. It is also a pioneering venture. Scholars and lay persons in American culture studies and all those interested in American culture will undoubtedly benefit from reading this book.

—MARIO D. ZAMORA



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## **Managerial Personnel in the Public Sector**

*[The XVIIth International Congress of Administrative Sciences was held at Abidjan, Ivory Coast, in September 1977. One of the two subjects discussed at the Congress was 'Present Problems Concerning Managerial Personnel in the Public Sector'.*

*[In the report below, prepared by Mr. Edward Gallas, general rapporteur, the problems discussed are first placed in their political, social, economic and technological environment and then studied in relation to the deciding factors of the effectiveness of the managerial personnel. A variety of special features of those problems are then examined such as participation, mobility, or attitudes and behaviour towards change. The report is based on papers received prior to the Congress.]*

### **PREFACE**

Perceptions about "Present Problems Concerning Managerial Personnel in the Public Sector" are as numerous and as varied as the governmental organizations and enterprises from which they come. This was apparent in the responses to the outline that was sent to the national rapporteurs for all member countries for their use in preparing country papers and from the discussion at meetings of the Abidjan Congress. Since the systems from which the data came were so different, a synthesis of responses was impossible.

The Comments made at the meetings and the responses in the country papers were more different than they were alike. Differences occurred in what was emphasized, in the importance placed on the problems, in the nature of the society from which the problems emerged, and in the political systems represented. In the papers there were also differences in the style and format used. Some papers were prepared by practitioners and others by academicians. Some were prepared by a consortium of persons from one or both of these backgrounds. However, despite the differences, an evaluation of all the Congress materials disclosed some common current problems concerning managerial personnel in the public sector.

This report on the dialogue and discussions on subjects at the Abidjan Congress, based on papers received prior to the Congress, consists of three parts. The first part is an introduction in which certain generalizations about the subject are presented. The second part, to the extent possible, is a comparison and analysis of the subject according to the eight major topics in the outline that provided the general agenda for the Abidjan meeting. The third part presents some general conclusions based on problems presented and questions raised and discussed at the Congress.

### **INTRODUCTION**

Because of the complexities of the subject and the difficulties encountered in making comparisons and analyses, some generalizations about public sector management as a

field of study and of practice are presented in the material that follows. These generalizations relate to the current state of the field of management and cover those aspects of public sector management on which it was believed the Congress should focus.

#### *The Current Status of Public Sector Management*

The concept of management in the public sector as a single phenomenon that bridges different sectorial or functional areas is not only surviving, but thriving.

Developments over the past several decades in public sector management increasingly indicate that public sector management is an interdisciplinary field of study germane to all large complex public organizations and enterprises.

There is an increasing awareness of, interest in, and acceptance of the complex nature of managerial work, its performance, and its effectiveness in the public sector.

#### *The Environment of Public Sector Management*

Managerial personnel in the public sector function in a political system and a partisan political environment. This occurs regardless of the level or location of the public office held. Management in the public sector takes place in a different milieu than management in the private sector.

Managerial personnel must be knowledgeable about and sensitive to the uniqueness of the polity in which they function. They must continually test the relevance of their performance against the environment in which it takes place.

Managerial work is complicated by the three worlds that comprise the managerial environment : the institutional world; the behavioral world; and the world of processes. The institutional world is not one that managerial personnel create. It is imposed on them when they enter the public sector and when they are placed in a particular managerial post. Although managerial personnel may influence the institutional world, they cannot control it. The behavioral world places managerial personnel in constant interaction with others. Their sensitivity to those with whom they do or should interact and the interpersonal and personal skills they evidence in interaction are crucial to their effectiveness and their influence in the institutional world. The world of processes is the linkage between the institutional world and the behavioral world. Managerial processes are those major tasks or activities through which managerial work is accomplished.

The effectiveness of managerial personnel is conditioned by the extent to which they understand the environment in which these three worlds exist — both the internal and external environment and the interplay of forces in them.

#### *The Practice of Public Sector Management*

Although the practice of management in the public sector may be the subject of general descriptions, each person brings to a managerial role a particular pattern of individual differences. In addition to knowledges, interests, skills, aptitudes, intelligence, and personality, these individual differences include the individual's motivation and aspiration levels. The latter two relate to how an individual responds to the sanctions and rewards of the managerial system.

How management is practiced is a result of the interaction between the particular person who is a manager and the environment in which managerial work is performed. Traditional descriptions of managerial work do not accurately reflect how managerial personnel spend their time nor how situational variables affect their performance. It can be generalized that all managerial personnel must be knowledgeable and skilled in the utilization of fiscal, personnel and physical resources. Practice, however, is dependent on the specifics of the situation. For example, to what extent must budgeting be done with a scarcity of fiscal resources and conflicting and competing demands for those resources? How flexible is the personnel system with which managerial personnel must cope? Does the personnel system make it easy or difficult to utilize personnel resources? How adequate

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are physical resources? Do physical resources have a positive or negative effect on the work environment and the work space of employees?

In the practice of management, managerial personnel should be sensitive to the need to maintain public support and support for public programs. To what extent is the delivery of public services complicated by the existence of large segments of the population who are disadvantaged, disenfranchised, disenchanted, or disinterested? Managerial personnel need to be responsive to their superiors, to their subordinates, to their peers, to their clientele, to the taxpayers, and to the public they serve. The extent to which there are contending interests and contending values among these groups emerges from the specifics of their internal and external environment. Is there an absence or presence of pressure groups? If present, how powerful are they, and whom do they represent?

Managerial personnel are increasingly faced by the demands of the public employees for a voice in decision-making. The extent and strength of unionization conditions the practice of management. Participation in the decision-making process by unions and their leaders can be utilized as a means for gaining support for management objectives. Conversely, it can lead to problems that will inhibit the attainment of legitimate goals. The effective functioning of career managers is impacted by the political power of public sector unions.

### *The Challenges of Public Sector Management*

The challenges of management in the public sector come from the increasing complexity of managerial work. The public sector manager is expected to be a "change agent in an environment of complexity" with "a talent for consensus and a tolerance for ambiguity". The increases in the complexity of their work are evidenced in the nature of the problems they face and in the composition of the pressure groups to which they have to respond. Unique external forces over which public sector managers have no control create problems and pressure groups that are not typically faced by managers in parastatal organizations or in the private sector. These forces impact in varied and complex ways the ability of managerial personnel to accomplish desired objectives in the delivery of public services. The managerial problems these forces generate come from developments and changes in social, cultural, scientific, technological, economic, and educational conditions. They are accompanied by the emergence of pressure groups that vary in cohesiveness, size and power.

Challenges also come from the increases in knowledge pertinent to public sector management and the needs for knowledge of both substantive and behavioral natures. The knowledge areas with which managerial personnel have to contend are not limited to a single discipline but cover a wide range of disciplines including political science, law, economics, philosophy, psychology, sociology, and anthropology. The list is long and is lengthening. In addition to subject matter that bears directly on the theories and processes of management, there are other subjects that managerial personnel need to understand. These subjects are diversified and may include such areas, for example, as unemployment, energy resources, or inflation. Shortages of food and energy resources can inhibit the effectiveness of public sector managers. Managerial problems that relate to these knowledge areas vary in different cultures and in different environments. Whether a country is industrialized or developing conditions the scope and level of understanding required in problem solving. Managerial personnel at all levels in all governments must be aware of, and respond to, externally generated problems that are expressed by those in power or those from whom they derive their authority.

Another knowledge area that complicates managerial work comes from advancements and accomplishments in science and technology particularly as related to information and communications systems. Scientific and technological developments in these areas can have both positive and negative effects on public sector management. New information and communications technology creates a need for specialized knowledge and skills in

its use. Managerial personnel face difficulties in learning how to use data and information not previously available, especially as it increases in quantity and sophistication. The costs of technologically produced information, the managerial time, its study and its use takes, the potential displacement of personnel through installation of machines, the invasion of privacy, the access to information entails, and the possibility of privileged or confidential information being misused causes problems for managers. Each can have devastating results in the conduct of public affairs that can undermine confidence in the government. Although technological advances, particularly as related to information systems, provide managerial personnel with an additional resource, they can create more problems than they solve.

Public organizations and enterprises that require continuity in the delivery of services, but which are subject to changes in political leadership, make special demands on the leadership skills and ingenuity of managers. The relationships that need to be established and maintained between the political leaders and career managers are delicate and require exceptional competence to keep in balance. This requires awareness of and sensitivity to the impact of the hierarchical systems on such relationships. It also requires careful attention to the actions of the political support system — the locus of power — as distinct from hierarchical authority, and the different managerial styles and personal relationships of manager and ministers both in and outside the organization.

A creative approach to interpersonal relationships requires recognition of the need for non-hierarchical contacts within the organization. It also requires a willingness to establish and maintain external contacts with appropriate individuals and groups. The effectiveness of internal and external interpersonal relationships is directly related to the manager's communication skills in giving, sharing, and receiving information. Through such skills, managers can achieve understanding and support of the programs they manage from elected and influential individuals, including those in the mass media. Failure to seek and gain support for programs inside and outside the organization may create new managerial problems, as well as jeopardize solving existing ones.

These generalizations on problems concerning managerial personnel in the public sector point to the need for individual managers to have goals and directions for their own development. Their goals should relate to how they can create relationships that are not oppressive to lower levels of the hierarchy, without jeopardizing control and accountability, yet be responsive to rulers. Where new public services are added or existing services are expanded, managers may have to cope with additions to the work force or with providing more services without additional employees. In addition, needs for full employment may result in overstaffing in order to provide work for those who have no other source of employment.

The citizenry, as individuals and as groups, whether organized or not, are demanding a greater voice in public programs which affect the quality of their lives. Many traditional doctrines on public management are being challenged. The uncertainties and conflicts inherent in citizen and clientele involvement are issues that will increasingly confront public managers as they design ways to cope with citizen demands or, conversely, citizen apathy. Managerial personnel must continually increase their own competencies as well as provide the means by which subordinates can improve theirs. This, in turn, should lead to increased professionalism in public sector management.

These challenges suggest a need for changes in the qualifications, selection, and in-service development of managerial personnel. An assessment of the impact of politics on public-sector management, as well as an evaluation of the role of the manager in the policy-making process, is required. The changing environment of management in the public sector must be analyzed to determine the managerial style most conducive to coping with change.

## DEFINITIONS AND FOCUS

This section deals with the topics covered by the outline submitted to each delegation and discussed at the Congress. Those areas which were most often emphasized during the sessions are discussed in the most detail. The scope and interest in a particular topic varied in terms of its relevance to each country.

### *Managerial Personnel Defined*

The general definition of managerial personnel suggested for the preparation of country papers was "administrators of major governmental civil organizations and enterprises (ministries, departments, bureaus, services, business-type enterprises), intermediate between the rulers (cabinets, ministers, departmental secretaries who are brought in and are immediately dependent upon the chief executive whatever their title) and the immediate operative personnel over whom they preside". This definition was used in many of the country papers. There were a few exceptions. There were also differences in how the definition was interpreted and applied. Differences in the levels of government and the kinds of governmental, or non-governmental, organizations covered were most conspicuous. The question of who public managers are and what they do in definitive terms remained elusive.

For example, in Yugoslavia, the term used is "executive administrative personnel" which is defined as "officials in administrative agencies and administrative organizations of socio-political communities at all levels except political officials who are in charge of administrative agencies". In France, the definition was applied to managers in both the public sector and the parastatal sector. In Italy, general managers of private enterprises in which the state has substantial participation were covered. In Germany, the concentration was on "managerial personnel of the ministerial administration of the German Federal Government" predominantly "of the intermediate levels". Japan focused on managerial personnel "above the rank of division chief of the ministries and agencies" of the "national government", "prefectural governments" and "municipal governments".

Although the term managerial personnel was not intended to be synonymous with a higher civil service, there was a tendency to treat it as such. The various ways in which the definition was interpreted and applied illustrate how difficult it is to define managerial personnel in a way that is uniformly applicable to the public sector. Since a general definition and position titles provide only limited information, other means need to be developed for identifying, describing, and analyzing the level of managerial work to be studied.

### *Present Problems Affecting Managers*

Several themes emerged in the country papers and discussions. These included modernizing managerial personnel systems and processes, coping with the resistance to change and modernization, identifying and resolving problems of delegation faced by managers, increasing training for and providing a broader training base for managers, and changing the composition of the cadre of managerial personnel. In Germany, the "constantly changing factors of society" were seen as demanding "a reform of the civil service" both its "statutes" and its "administration" with "special emphasis" on "managerial personnel". In addition to transformations in the social, economic, and political conditions of a country, a number of specific conditions were identified as creating a need for change. These included lack of responsiveness and control over managerial personnel who came from particular universities, institutes or schools, the lack of representativeness of the cadre of managerial personnel, and the lack of access to managerial posts for outside groups not currently represented. The young, women, minorities, and persons of different status, work, and cultural backgrounds were identified as potential sources of managerial personnel who should be utilized. The complex nature of public issues was seen as making

political leaders increasingly dependent on managerial personnel for substantive information, advice and action. This dependency creates concerns about the power, ethics, and competencies of career managers, particularly where managerial promotional systems are restricted to promotion from within and emphasis is placed on seniority. These concerns were related to problems of elitism, the need to change the orientation of managerial personnel and to broaden their professional competencies and political sensitivities.

#### *Sources, Selection, and Preparation of Managerial Personnel*

Common features are found in the preparation and selection of managerial personnel. Educational preparation in law is most prevalent followed by educational preparation in economics. In Denmark, for example, more than seventy-five per cent of managerial personnel are law graduates although the number is declining. In Italy, forty per cent have been trained in law. The preponderance of lawyers is seen as originating "from the concept that lawyers can be used at any time for any position". Other academic fields mentioned include political science, sociology, commerce, administration, urban engineering, and the social sciences. Although questions were raised about the value of law as the major academic preparation for managerial work, differences of opinion existed. Indications are that a change in viewpoint is taking place. A Netherlands view suggested "a structural explanation" for this, i.e., "the fact that the nature of governmental activities have changed ... the period of the so-called watchman-state where lawmaking was the main task is over". Attention is now being paid to the applicability of learning from the administrative sciences with a quantitative base (the policy and decisional sciences) and the behavioral sciences.

Most managerial personnel have advanced or higher education degrees. Their educational preparation is usually obtained in one or two ways. They may be graduates of a private or public college or university or they may be graduates of a government operated school or institute of administration. In some countries, for example, Japan and France, preference in appointment and placement has been given to graduates of certain schools or academic institutions. This is not seen as desirable in view of the need to diversify the composition and background of managerial personnel and make them more representative and responsive. "Exceptional treatment of a limited group of college graduates" can "affect morale".

The most common method of entry into that part of the government service from which managerial personnel are selected is an examination. In some countries promotion is also by examination. There is, however, no evidence that examinations assure quality. Appointments to managerial levels and promotions to top management positions are generally made from within. The criteria commonly used in selecting managerial personnel are stated to be merit and ability. Specific definitions of what these terms mean are not, however, given. Indications are that seniority plays a prominent part and that in some countries there is "substantial political influence in promotions". Allegiance to political parties or social groups was recognized as a factor in managerial selection in some countries. Data were not available on the amount of freedom or discretion allowed in selecting managerial personnel.

A need for lateral entry of managerial personnel at all levels was recognized. In Sweden there is a discernible tendency to increasingly recruit managerial personnel from among specialists drawn from the private sector, political life and trade unions. The trend toward recruiting from trade unions is seen as being strengthened by the increased influence of unionism in the public sector. A marked contrast to this is found in Japan where the system is "based on life employment and seniority" and "employees move up the ladder of positions and salary scales ... as automatically as being carried on an escalator". In some countries managerial personnel are expected to have professional qualifications with a high degree of specialization and be good party members. There is some indication that mobility between various levels of government, e.g., national and local, is becoming more

common. An interest in public and private interchange and interaction among managers was expressed.

#### *Managerial Demographic Data*

Specific demographic data on age, sex, ethnicity, social and economic class, political background and education were not generally available. However, certain conclusions can be drawn. For example, most managerial personnel have a college or university degree. Although law and economics have predominated as the basis for the degree, this is changing. Social and economic class have made managerial positions more accessible to certain groups than to others. This has resulted in discrimination and has created a managerial group that is not representative. Both conditions need to be remedied. Political allegiance and political influence are major factors in the selection and promotion of managerial personnel in some countries. In some cases this is considered to be essential and in others to be detrimental. The lack of discussion or data on ethnicity and how it affects selection was conspicuous.

Two problem areas specifically disclosed and discussed related to age and sex. Managerial personnel are predominantly males who are over fifty years of age. References to the need for more young people from different educational backgrounds were apparent. Although 'over fifty' predominates as the average age of managerial personnel, there are exceptions. For example, in the Ivory Coast 'two thirds' of the managers are "45 years of age or younger". Since the need for more women managers was recognised by many countries, special attention was paid to this problem.

#### *Women as Public Sector Managers*

Although the percentage of women as managerial personnel is low, the circumstances surrounding this condition vary from country to country. Some percentages were reported. For example, in Japan less than one per cent of those above division chief are women. In the United States, at the Federal level, only 2.7 per cent of the 'super grades' are women. France reports five per cent of the managerial personnel are women; Germany reports four per cent; and Hungary reports fifteen per cent. In Sweden women are heavily represented but at the lower levels.

In France the low percentage of women managerial personnel has related to two factors: education and tradition. As university students, women have not been in fields that were sources of recruitment and they have only recently gained entry to the National School. In other countries, women have not gone to the universities. When women have qualified for a managerial post, many countries have sent them to agencies of lower prestige or off the mainstream. In Yugoslavia, the lack of women was partly attributed to their exposure "to exhaustive operative work in view of the functions they have to discharge". The effects of a tradition that males should dominate in the public affairs exists in many countries. Some countries, however, recognize that the distribution of women in managerial work is unsatisfactory and should be corrected. Efforts to change are noticeable at the recruitment and entry levels. In Denmark, insofar as recruits are concerned, "the balance between the sexes is changing rapidly".

In those countries where women are being actively recruited into fields previously dominated by men and where provisions for child care are available, changes in the demographic data on women are anticipated. The Ivory Coast reports that its need for managerial skills are such that it cannot afford the luxury of qualifications based on sex nor can it afford to exclude qualified women from managerial positions.

#### *Specialists and Professionals versus Generalists*

The predominance of education in law and economics among managerial personnel has had an impact on the field. Although some references are made to the need for specialized and professional qualifications, this is the exception rather than the rule. References to

specialized backgrounds appear most frequently in regard to such ministries as health, education, economic planning, and agriculture, although new categories of technical specialists are being created. In addition, needs for an engineering background are expressed. Law, particularly administrative law, appears to be the typical background of the over fifty male managers in some countries. The trend to recruit "from among specialists drawn from the private sector, from political life or from trade unions", is new. There are indications that a 'new type' manager needs to be developed—a specialists in management who "is almost entirely liberated from the traditional education...". A strict division of managerial personnel "into specialists and generalists" was not regarded as 'advisable'.

### POLITICS AND MANAGERIAL PERSONNEL PROCESSES

Political considerations were recognized as a factor in certain managerial personnel processes. This condition exists regardless of whether managerial personnel are political appointees or career civil servants. The strongest statement on an independence from politics came from Japan which reported 'no political appointments' and that a "civil servant is politically neutral and status is guaranteed....". Political considerations were discussed primarily in terms of selection and promotion. Differences existed in how obvious the political considerations were perceived to be. Where civil service laws regulate the selection of managerial personnel, 'political factors' and 'political influence' enter into selection decisions, although this may be difficult to prove.

The ideal model for career civil servants may be merit with managerial personnel being politically neutral, but in reality this may not be the case. Managerial personnel, regardless of the political system in which they work, "have a duty to be loyal to the political chiefs and to implement their orders except where these are quite obviously illegal". Appointments of managerial personnel are "influenced by the knowledge the appointing authority may have about the appointee's affiliation". A tendency to "balance between loyalty to the political chief and political neutrality" is seen as less a problem at the central government level than at the local government level.

A contrasting view exists in the countries where "there must be complete correspondence between political decisions and administrative decisions since... there is no real separation between the two spheres of activity". In those countries, "observation of political criteria" in the appointment of managerial personnel is guaranteed. Although political adherence to a single party rather than competence may be a factor in the choice of managerial personnel, the criterion of competence is seen as increasingly importance due to the increased complexity of the managerial role. Although career civil servants may not be perceived as political appointments, they are expected to be politically sensitive.

#### *Relationships Between Career Managers and Political Leaders*

Problems exist in the relationships between career managers and political leaders which warrant study. The lack of responsiveness of some career managers to political superiors is particularly acute. Where managerial personnel selected from a certain social or economic class or educational background control most managerial positions, questions of responsiveness emerge. Where managers are seen as more concerned with technical details than with carrying out policy decisions, working relationships with political personnel are impaired. Where the internal considerations of managerial personnel serve to protect the interests of those with neutral political opinions, the interests of political leaders may be thwarted. Relations between managerial personnel and political personnel are changing as a result of changes in the roles of each group. Frustration is evidenced on both sides, particularly where the importance, independence, or traditional prerogatives of either group are threatened or where political leaders attribute their failures to public managers. A gap in communication between political leaders and managers or a lack of understanding of the roles of each is not conducive to effective public management.

### *Political Considerations and Managerial Behaviour*

The extent to which political considerations impact managerial decision making and performance depends on the nature of the political system. For example, in France the influence of politics on the decision-making process is ameliorated by the technical nature of the decisions made, by the tradition that the first interest served is the public interest, and by the homogeneity of top management. Where this creates a lack of receptivity to political consideration in decision making by top management, it is perceived as a problem. This condition also exists in Italy where top managers are reported to be a group more or less opposed to change.

A different condition exists in Yugoslavia where it is "indispensable and important to know and agree with the goals of social policy... and to eliminate a formalistic attitude to these goals..." Since managerial personnel in the public sector function in a political environment, a sensitivity to political considerations is expected. How this impacts decision making and performance is not a subject on which generalizations could be made.

## MANAGERIAL PERSONNEL AND PUBLIC POLICY

### *Managerial Roles in Public Policy*

The role managers should play in public policy revolves around the question of whether managers develop or execute public policy. This conventional bifurcation is essentially an oversimplification. As the Danes point out: "What managers actually do is dilemma which is insolvable". In some countries, top management personnel play a strong role in policy making; in others, the political arm of government predominates in the process. For most countries, there is, of necessity, close collaboration between the ministerial level and the administrators. Within this area of collaboration, however, it is often difficult to see clearly which is the subordinate arm.

A manager inevitably plays the role of mediator, either to filter downward policy decisions already taken at the political level, or conversely to strengthen the hand of the politicians by formulating clear and concise policy alternatives. The working out of the details of broad policy making is increasing in the hands of those most able to make the technical judgements upon which policy is based. Social and economic policy decisions are of constantly growing complexity involving the use of statistical methods of data manipulation in order to arrive at final policy decisions. Legislators are currently unequipped to play a substantial role in initial policy formulation; the burden then falls on the top managerial personnel. However, in those countries in which governments operate within a social ideological framework, managerial personnel are, as in Hungary, "absolutely subordinate to the political director".

### *Management Personnel as Resistors or Movers of Change*

The need for change is recognized in public management, although the role of managers as change agents is not generalizable. In the Ivory Coast, "an administrator must be prepared for a double role, the normal and traditional role of management, but also to be a specific agent of the development process". To play the latter role requires changes in the administrative curriculum of schools and institutes and revisions in the time period for the completion of training. It also requires attitudinal changes on the part of managers. There are a number of indications that those playing the traditional managerial role resist change. Their resistance extends to new technology, new methods and procedures, and new styles of management. In some cases, structural changes are needed as a prelude to the facilitation or initiation of changes.

The technical nature of the policy making process places substantial emphasis on the ability or willingness of managers to take responsibility for policy decisions. If managers see themselves as a filtering mechanism for passing policy information upwards, they will fail to fulfil a very necessary function in modern government structure, and that is making

public policy decisions, particularly for aspects of implementation at their own level.

The manager's responsibility for policy making means, as in Japan, that lobbying activity can be more directed towards the managers than towards the legislators. In some countries, a new form of synthesis is being worked out among the various elements in policy making. In Denmark "there is a tendency to split up departments of central administration into groups of policy preparers in constant touch with ministers who are in constant contact with social interest groups and executives who cluster around central government. The overall result is a small policy department and a number of specialized directors".

The Dutch view is that civil servants below the minister level play an important role in policy making, even though this may sometimes result in a perception that ministerial responsibility is being undermined. In another sense they may also seem to be acting as a barrier to the introduction of new policy. In short, the Dutch view is that an assessment of the real situation reveals that policy formulation and indeed resistance to policy changes take place at all levels.

### MODERN MANAGERIAL TECHNIQUES

Modern managerial techniques include automation, management by objectives, informatics, program evaluation, cost benefit analysis, and zero-based budgeting, among many others. The use of these techniques is becoming more widespread in attempts to improve the rationality, efficiency, and effectiveness of government operations. However, in this context, 'rationality' and 'efficiency' become merely attributes of organizational action that are determined not by the techniques themselves but rather by their manner of employment within a larger context of organisational activity. For example, the use of elaborate cost benefit development techniques where data is unavailable, true costs unknown, and benefits not commensurate, can hardly be defended as rational. The problem of 'technique over purpose' can jeopardize effective use of techniques.

Variations in the techniques used and the extent of their use are found from country to country. There is a need to extend more widely and further down into the bureaucracy the use of technical ideas that may be derived from the computer. It is particularly important in this context to stress that 'management' does not take place in a vacuum, i.e., there is a social and cultural context that conditions management techniques in every country. What may be effective in one situation may be totally inappropriate in another. The wholesale importation of specialized techniques is not necessarily the panacea that it has often been thought to be.

#### *Training for the Use of Managerial Techniques*

A serious difficulty in introducing contemporary management techniques derives from the traditional nature of the training of the present generation of senior managers. A substantial number have legal backgrounds but no training in modern administration. Only recently in some of the more progressive national schools of administration has the subject matter of contemporary management training been introduced. There is a tendency on the part of senior managers to mold those below them in their own image. Managers who are unwilling or unable to use modern techniques will not encourage their junior staff managers to make use of them. The result is a growing tension between junior and senior levels of management. Young people who may have been exposed to the new techniques wish to avail themselves of its advantages. As might be expected, however, there is a hesitancy to do so in the face of disapproval from those above who might inhibit the chance of promotion.

#### *Policy Problems Created by Computerized Data*

An increasing concern of senior managers in many countries is the protection of the privacy of the citizen in the face of the spreading use of computerized data for policy making.

The questions involve not only the rights of citizens but the need on the part of managers for increasing amounts of data in order to fulfil the functions of their offices. The question of protecting both the civil service and the citizen poses an increasing problem for many countries. Attempts are being made to insure just and equal treatment for both sides. In Germany "the possible conflict between principles of performance, independence and social obligation of the public sector towards its civil servants has been solved by the Personnel Statute... by providing...that entrance and promotion are regulated according to the principle of performance while 'by receiving appointment for life'—the social aspects gain a stronger importance".

#### *Managerial Incentives*

Little attention was paid to managerial incentives, rewards, and sanctions as related to managerial performance. In Germany, managerial personnel were characterized as hardly expecting "promotions or other financial incentives". This was explained "by the high esteem which they enjoy in connection with the fact that they have already reached top positions".

In Japan the prestige of top managers based on their responsibilities is regarded as 'heavier' than that of corporate directors. Movement to positions in public corporations in Japan is considered of lesser responsibility and is called 'descending from heaven'. The French sanction for administrators whose views are unacceptable to colleagues is nomination to one of the parastatal organisations; "in effect, a way of kicking them upstairs".

### MANAGERIAL STYLE

Stress was placed on how typical hierarchical managerial relationships tend to act both as an effective guideline for organisational structure and at the same time as the most serious hindrance to the development of new managerial styles. The traditional hierarchical structure provides for the division of labor, establishes official channels, and sets standards of competence and responsibility. Traditional bureaucratic structures, however, restrict the ability of managers to adapt to new and demanding managerial situations. The structure is undergoing increasing criticism and in some countries undergoing substantial change in emphasis. In Sweden "in cases where the senior official alone has a formal right of decision making and alone shares the responsibility for the decision, and this is still the most usual arrangement... the person no longer stands out as before as a unilateral decision maker and giver of orders. His advisory coordinative and motivational functions are now stressed more".

#### *Participation in Managerial Decision Making*

Managerial style in most countries is being affected more and more by new demands for clientele and citizen participation in policy making. The younger members of the civil service who tend to be more responsive to such demands are themselves seeking a wider role in day-to-day decision making. The new requirement to share responsibility is not, however, always willingly accepted by the present generation of senior managers. It requires them to develop new skills in communication, a greater variety of skills, and the ability to qualify objectives and establish mutual understanding. It is evident that not all senior managers find this style of participatory management congenital, but as the formal social class system continues to break down, senior management will have to become more adept at interpersonal relationships with both those at the ministerial level and with their own subordinates.

Some evidence was found of a move to collegial decision-making. There is growing evidence of increased teamwork and co-determination of policies and objectives. In Hungary, widespread involvement is reported in the decision-making process and includes working groups, communities and trade unions. In Denmark, there is utilization of joint councils

composed of non-political civil servants at higher levels and representatives of unions. They, however, are restricted to internal considerations such as conditions of work and personnel matters. Public policy considerations affecting the citizens are beyond their scope of authority and cannot be considered by them.

#### *Managerial Mobility*

Movements toward greater mobility in public sector management among the senior managers are not significant. At lower levels, in France, the obligatory move four years after entering the service is designed to "renew the spirit and develop the human faculty for adaptation". However, there is little mobility reported in France or elsewhere between different segments of the government or geographically. In Germany "genuine horizontal mobility" is hindered by the fact that "there are no cross-job vacancy announcements". This results from the personnel autonomy of the federal ministries. Also, inter-system mobility, i.e., "the change between public administration, private enterprises, education, and politics", is obstructed by the fact that pension rights are not normally transferable between them, and private enterprise and education hire from within.

Special problems have arisen in those countries where substantial segments of the economy are now controlled by parastatal bodies. These may include the public corporations, enterprises, mixed ventures of the private and public sector. In those industries in which control is shared by the state and private sources, a parastatal bureaucracy of management is growing up which is closely related to management in private industry. The more traditional managers of governmental services tend to regard these new managers as a threat. Conversely, the managers of state industries, because they are required to produce a profit, regard the tradition bound managers as a hindrance to efficient and effective management. The question of 'cross-over' between managers in governmental service and parastatal organizations has not yet been effectively solved in any country. As a personnel problem of growing significance, it warrants attention.

The growing unionization of government employees has resulted in new problems for the public sector manager. These include demands for participation in decision making on external matters affecting the level of services of the government, and, in some cases, demands for compensation and benefits superior to those enjoyed by private sector workers. The growth of public sector unions is the fastest growing segment of the union movement in the United States. Because of the political power of these unions, and in many cases, their growing financial resources, the ability of political and senior public managers to function effectively has been undermined.

In Japan there is political conflict between labor unions and the board of directors of government enterprises on matters of compensation. In Italy, the power of unions is reported to have affected both the prerogatives and styles of managers by forced adoption of participative approaches to decision-making.

On the other hand, managers in many countries have made an effort to establish a dialogue with employees. The war time relationships developed between management and labor have influenced their efforts. In Germany, the influence of unions on inner organizational matters is immaterial. However, in other countries fear was expressed that unions may exert undue influence over administration.

The ambivalence of public sector managers on the effect employee demands have on their managerial style creates a dilemma. In Italy some of the managers "have been elected to trade union councils". Other managers have had their influence reduced by refusing to join unions and now have begun to understand the necessity for entering into a dialogue with the employees.

#### OPENNESS OF MANAGERS TO THE SOCIETY THEY SERVE

Concern was expressed about the growing distrust by the average citizen of the govern-

ment and failure on the part of those in government service to communicate their decisions and their problems to the citizenry as a whole. Clearly one of the major questions in the development of senior managerial personnel is how best to sensitize the decision makers to public opinion and how to enable them to communicate more successfully to their own publics. The fault, of course, does not lie with the administrators themselves. In Sweden an important additional consideration and "possibly the most deep-seated reason why citizens experience the administration as alien and remote lies not so much in the action of the administration as in the complexity of the problems the state is now called upon to deal with".

The Ivory Coast is affected by the limitations imposed by geography and early education and the resultant inaccessibility of the School of Administration to certain segments of the population. While the situation is improving for the disadvantaged in both the developing countries and in industrial countries, recruitment for public sector managerial positions remains predominantly from the middle class. Also, advanced and specialized degrees are a general requirement of parastatal organizations. In Italy "in-service training has not been particularly effective since very often teachers in such in-service training courses themselves distrust democracy because they come from the upper middle class".

In an attempt to reduce public suspicion of the bureaucracy, some governments are putting less stress on formalized training and education as criteria for entry and promotion in the service, and substituting greater emphasis on on-the-job training and the middle management level. It has been stressed that managers must encourage the formation of outlets of public information in their agencies in order to demonstrate to the citizen that his problem can be solved by a direct approach to the bureaucracy. There is some concern that the current image of government all over the world is not at a particularly high level.

In Italy the higher school of public administration has undertaken to relate the work of managers to the overall problems of society. They are doing this through the organization of seminars in which managers in groups of twenty are exposed to contemporary social/economic problems. In some countries, particular problems have arisen because of origins in colonial administration. In such countries, there is a high degree of bureaucratization and administrative procedures tend to be excessively formalistic thereby discouraging citizens from appealing to the government for assistance. In those countries where the bureaucratic behavior of public sector managers continually provokes citizen alienation, unstable conditions may result.

In Sweden, efforts are made to open communications between the public and private sectors through schooling of public servants by the State Personnel Training Council. The Council, as an extension of this program, also offers courses for senior management personnel to keep them abreast of developments outside the areas of their principal responsibilities.

#### *Decentralization of Managerial Responsibilities*

In many countries, particularly the developing ones, there is undue centralization whereby too much of the governmental work is concentrated in the capital cities. This results in many of the managers of the government spending their entire careers in one place and subjects them to isolation from the problems that affect the citizenry at the local government level. As a result, popular opinion in some of these countries, and in many developed countries, attributes many of the ills of bureaucracy to over-centralization. This problem is recognized, however, and the desire and intent to decentralize government decision making is noted. In the Ivory Coast, managers are not likely to be promoted in grade unless they have spent a part of their career in the interior of the country.

Despite these hopes for decentralization, there seems to be an inevitable tendency on the part of most governments toward greater centralization. There are few signs that governments in the developing countries are prepared to encourage more meaningful programs of decentralization of power to local levels.

Reducing the flow of problems to the higher levels of government by improving the capability of local management through additional training may be desirable. However, given the shortage of skilled administrators with which most developing countries are faced it would appear highly unlikely that the best administrators will spend substantial parts of their career in local government service. In many cases, it is questionable whether in the cultural context of administration in developing areas, training based on western concepts will be efficacious.

There is some indication that efforts are being made to improve the accessibility of government to the mass of people. This requires not only that improvements in the organization of government be made, but that there be a better dialogue between all segments of the population, both urban and rural, and the public sector managers, in order to assure that attention be given to the priorities most important to the citizenry.

### PUBLIC MANAGERS AS HUMAN BEINGS

Management careers in the public sector continue to be attractive in most countries. Overriding this attractiveness is, of course, the security of employment, the social prestige still attached to government service and the traditionally high esteem in which government service continues to be regarded. Clearly, from the point of view of personal compensation, government service cannot compete with private industry and increasingly more bright young people are being attracted to the private industry sector. In a very real sense, the management careers now available in parastatal organizations provide serious competition to the traditional line management careers in the public service as a whole. Young people with training in modern management are finding that they are more likely to be able to exercise their new skills in the parastatal areas rather than in the conventional government service. If competition develops between the two, it may be that the significant advances in the use of modern techniques by senior management may derive from the parastatal organizations.

The security of positions formerly offered by the civil service is not as important in today's world as it was even a few years ago. The right to work in life time job security is now a feature of trade union organizations in the private sector. As these programs are made available within the state owned industries, they will provide growing competition with the formally organized civil service, particularly as unionization of the service becomes more fully established.

In some countries there is dissatisfaction concerning the salary constraints, and the inhibitions on political activity of the public sector managers. However, the security and prestige of public service is highly valued in most developed countries and developing countries. Where this exists it may serve to affect the constraints imposed on salary and political activity.

There is evidence that highly qualified people see opportunities for quick advancement in public sector management. Improvements in the structure of some public organizations in some countries tends to "bring out the best in its personnel". There is evidence that public sector managers are now achieving genuine satisfaction "by using their professional capacities to the fullest extent".

The alternative of private and semi-private managerial careers combined with job security and higher pay will probably prove most attractive to those at the middle management level who seek rapid career development. The consequential massive shift of those levels of management out of the traditional civil service may create substantial problems within the next few years.

The constraints of hierarchical structure combined with underutilization of personnel both in number and talent may make the civil service less attractive than it has been. The result may be that those attracted to government service will be of lower caliber than those going into other sectors. The very fact that work in government is itself less attractive to

the public as a whole is emphasized by the comment from Yugoslavia that "the old stigma of (work in government administration) as being something less valuable and prestigious has contributed to this further by the fact that shortcomings and mistakes committed by the public administration are constantly exposed to the public eye".

On the other hand, in Sweden it is believed that, "the type of work and the comparative independence . . . allowed . . . may appear more attractive . . . than the more favourable conditions of the private labor market". This opinion is shared by Denmark and Germany. In France, "there is no doubt that a great deal of prestige attaches to a position in the upper managerial group of the civil service; they constitute a very genuine group of the 'happy few'".

### CONCLUSIONS, PROBLEMS AND QUESTIONS

In the summary of the country papers prepared prior to the Congress, various conclusions suggested themselves. Although the conclusions were not perceived as universally acceptable, they suggested problems and questions for discussion. These are presented below. Where duplications in problems appear, this resulted from problem areas being discussed in more than one section of the outline. Each of the principal conclusions is followed by the questions that provided the agenda for the deliberations of the Congress on the subject. They, in turn, gave rise to other issues that were discussed. The results of the deliberations on these problems and questions have been incorporated in the body of this report.

#### *A. Problem*

Some managerial personnel who are traditionalists, whether by education, experience, or both, resist change.

#### *Question*

In those situations where resistance to change is dysfunctional, what approaches might be used to provoke traditional managers to examine ways in which change would be constructive and to develop skills in, and understanding of, strategies for change which are useful in their managerial role?

#### *B. Problem*

The increased diversity of the individuals and groups with which managerial personnel must interact requires interpersonal managerial skills.

#### *Question*

How can receptivity of managerial personnel to interpersonal skill development be gained and what models might be used for developing interpersonal problem solving skills in varied situations?

#### *C. Problem*

Because of the changing environment of management, the amount of managerial time spent in negotiation and conflict management is increasing.

#### *Question*

How can managerial skills in the negotiating process be developed and improved and strategies for conflict resolution be analyzed and understood?

#### *D. Problem*

Existing personnel systems and processes do not provide the flexibility needed to deal with managerial personnel problems. Efforts to modernise these personnel systems are met with resistance.

*Question*

What can be done to present personnel systems to provide managerial personnel with flexibility that is needed in the management of public sector organizations?

*E. Problem*

Hierarchical and traditional bureaucratic structures inhibit the ability of managers to adjust to new and demanding managerial situations.

*Question*

What adjustments are needed to be made in present organization structures to permit senior managers to work more directly and have dialogue with lower level managers and other personnel?

*F. Problem*

A lack of responsiveness by "elite" groups of managerial personnel who come from particular universities and some of the special institutes and schools is reported in some countries. This system of selection also results in narrow professional competence, political insensitivity, and lack of access to management positions by groups that are not currently represented in the cadre of managerial personnel.

*Question*

Can new systems for selection and in-service development be devised to broaden the outlook of "elitist" senior managers and increase their sensitivity to management contributions of the leadership they serve as well as their subordinates? How can the representativeness of managerial personnel be improved?

*G. Problem*

Political affiliation and seniority as bases for appointments and promotions limit the development of a broad gauged managerial work force. This, together with the preponderance of law or economics background, tends to create a restrictive and structured view of management by many senior managers.

*Question*

How can education for senior management positions be reoriented and broadened to include learning from the behavioral sciences and the policy and decisional sciences?

*H. Problem*

Limited mobility between various ministries within the government and between the government and parastatal and private sector organizations has contributed to retention of outdated methods and systems of accomplishing organizational objectives.

*Question*

What limits should be placed on the time senior managers remain in a single post? For what kinds of positions is mobility an advantage or a disadvantage?

*I. Problem*

The preponderance of older male managers, the traditions, and the lower level of educational preparation of women has limited the number of women managerial personnel in many countries.

*Question*

What strategies can be developed to increase the number of women in the cadre of managerial personnel and accelerate their advancement?

**J. Problem**

Career managers are charged with not being responsive to political leaders. The political neutrality of the career manager is often perceived as political insensitivity in exercising their decision-making responsibilities. Although career public sector managers tend to enjoy permanent status in their jobs, their tenure is a matter for concern to political leaders.

**Question**

To what extent and how should the decision-making prerogatives of career managerial personnel be circumscribed or enlarged?

**K. Problem**

The establishment of special policy-making bodies has been found desirable in some countries. Some managers, as a result, view their role as the agent for executing directives from the political leadership and not as the maker of policy implementation decisions.

**Question**

Does there need to be greater emphasis on finding new ways to make policy with appropriate inputs from managers as well as political leaders?

**L. Problem**

New information and communication technology and changing conditions have made massive amounts of data accessible to managerial personnel. This data can be used in a detrimental way with respect to the rights of privacy of the citizen and certain client groups with whom the government deals.

**Question**

How can the availability of machine produced information necessary to managerial decision-making be reconciled with the citizen's right to privacy?

**M. Problem**

An inconsistency exists between the prestige of public management jobs and their compensation levels as compared to their counterparts in parastatal agencies or the private sector.

**Question**

What can be done to counteract the likelihood that the unequal compensation treatment of managers in the public sector may result in lower morale and increased mobility from the government to other managerial positions due to the relatively lower emolument for public service and the increased stability and security of work in the private sector?

**N. Problem**

Some senior managers are facing stress because of the demands of their subordinates, their clientele and certain segments of the citizenry for a part of the decision-making process.

**Question**

What methods and techniques can be devised to reorient senior managers to greater participation in decision-making by other interested parties?

**O. Problem**

The advantages that can be gained by mobility and other arrangements for "crossing-over" between the private sector, parastatal bodies, and the public sector are constrained by statutes, traditions of autonomy of ministries, and restrictive regulations on the portability of pensions.

**Question**

How can mobility be used to enhance the interface between private, public, and para-statal agencies? How can laws, traditions, and pension system rules be changed to permit managers to take mobility assignments on either a temporary or permanent basis?

**P. Problem**

The number of middle managers joining unions is increasing. Some of these are demanding a greater measure of participation in decision-making.

**Question**

What are the advantages and disadvantages of permitting career supervisors, middle managers, and senior managers, or any of them, from becoming members of unions that may bargain with respect to policy decisions and on wages and benefits? Should laws prohibit bargaining on matters of policy or final authority which appropriately rest with senior managers or legislative bodies?

**Q. Problem**

Many complex problems facing public sector managers require a sensitivity to current social trends. Communication breakdowns between managers and the publics they serve are attributed to the failure of some schools and institutes to adjust their curriculum to reflect these trends.

**Question**

Should there be specific in-service training programmes or changes in school and institute curricula designed to orient newly appointed senior managers to current social problems so that they may better relate with sensitivity to the cliente served by their ministries?

**R. Problem**

The centralization in geographic location of some governmental activities has resulted in a failure of some managers to identify with the problems of the people they have the responsibility to serve.

**Question**

What management problems in the public sector result from over centralization? What government services should be dispersed to population centers closer to the people or located in rural areas of the country?

The problems and questions raised above do not address themselves to all issues, circumstances, and personal characteristics which are important to public sector management performance and effectiveness. The appropriate linkage between political leaders and managerial personnel needed to provide continuity in the delivery of public service is an example. So are behavioral sciences such as the ability to listen, to delegate, to negotiate, and to be sensitive to the need for timing in decision-making.

The constantly changing nature of the political environment requires a sensitivity to the problems of communication, as well as an understanding of whom to involve in decision-making. A knowledge of power and authority, and the distinction between them, are essential to managerial effectiveness. Competence in this area may, in the final analysis, be more important than traditional qualifications.

***Linkages, Communications, and Institutional Processes***

The managerial style and an understanding of the forces which impact on the functions for which the manager is responsible—including political, social, economic, and technological—were viewed as critical to achieving managerial effectiveness. The political milieu in which the managerial function is performed was a major consideration in this regard. The

socialist view was that political loyalty of participants was a basic qualification for a manager in the public sector. Others presented the view that the principal, and perhaps the most pertinent qualification, was merit—merit being based on knowledge and technical competences, rather than political affiliation or connections.

The various aspects of the managerial environment, the institutional, the behavioral, and the processes, were delineated and the extent to which managers can influence them were discussed. The institutional environment is not one that is controlled by the manager. It exists as a political or organizational entity to which managers must learn to adapt when appointed to a position. The behavioral side of the environment, i.e., the interactions between the participants in the managerial process, is critical to effectiveness. Managerial processes are the linkages between the institutional and behavioral aspects of management in producing results. It was recognized as a possibility, and indeed a probability, that unless adequate safeguards were made part of the system, techniques and processes oftentimes triumph over purpose.

One aspect of management that received considerable attention in the meetings related to the complexities of certain functional and sectorial areas. Superior managerial ability was seen as needed to deal with such problems and the participants involved. There was consensus that successful managers in the public sector must serve as change agents. They must be prepared and competent to deal with change in terms of both risk and rewards.

Since organizations are social systems, the most important and complex ingredients with whom managers must deal are people—including not only subordinates and superiors, but those in other roles who impact the operation. Many contributions were made as to the problems engendered by lack of sensitivity to the needs of the clientele of the public agencies, as well as the taxpayers, and other departmental and ministerial persons with whom the manager must relate.

Differences between the behavioral side of the organization and the organization chart were recognized as a reality with which the successful public manager must deal and understand. The organization chart is not a reflection of an organization as a social system. It portrays the hierarchical structure under which the manager is expected to function. The real world, with all of its impacting public organizational, political, and personal interests and demands, cannot be dealt with on the basis of a simplistic formal organization.

Several, participants identified the problem of delegation in a complex society and a complex organization as a matter of major importance, or concern, to managers. Although responsibilities can and should be delegated to subordinates, top management cannot always be held responsible for the details of the work product.

When there is preoccupation with technicalities by permanent members of the bureaucracy, processes, become the end rather than the means to obtaining the desired results for the organization. Managerial personnel who are so inclined have a stake in keeping the process complicated. The job of the minister therefore becomes increasingly focussed on simplification and elimination of unnecessary technicalities.

The selection of top management was seen to be of critical importance to the organization. The political dimensions of the position are a major and positive consideration in selection, particularly in socialist countries. The question of lateral entry into the system, resisted in some places, was discussed in detail. This was viewed as undesirable by some and highly desirable by others. Entry into government departments from the private sector or from public agencies and enterprises was not considered to be a fruitful source of managerial talent on a regular basis because of the lack of competitiveness of public salaries with those in the private sector. However, in many places, particularly in Japan and Germany, it was agreed that the prestige of the public sector was such that it is considered a more desirable endeavor than work in the private sector, notwithstanding the lesser financial rewards. The major input, however, with respect to the mechanics of selection of such management personnel, was in emphasis on the need for a flexible approach—not a standardized approach, but a differentiated approach—with heavy dependence on sensitivity to the

environment, the political situation, and the culture of the organization.

#### *Representativeness and Responsiveness*

The need for greater representativeness among public sector managers was discussed. It was pointed out that merit is not always, and should not necessarily be, solely a function of technical competence. Responsiveness to the various clientele groups served, and an ability to relate to such clientele, is not necessarily found among those who are the most technically qualified. Rather, skills and attributes related to responsiveness should be looked for among the ethnic groups who deal with like ethnic groups, social groups who deal with people of the same social strata, and to women if the problems basically deal with women. A highly technically qualified manager who lacks a sensitivity to the problems of minorities and other special groups is not an effective manager.

Difficulties with the concept of responsiveness as it relates to representativeness in the staffing for managerial positions in some countries was expressed. In many countries law background and economic background are, as stated before, a predominant prerequisite for managerial positions. A heavy percentage of managers have such qualifications. References were made to the "elitism" that can result from narrow or restricted qualifications to enter the higher levels of the managerial service in the public sector. Furthermore, women are represented by a very small percentage of the managerial work force. They are not trusted with the higher levels of government positions and often are not qualified by way of background in the elitist traditions of some countries. Some of the developing countries, however, reported a significantly higher proportion of women in the work force than the developed countries. Such governments are more interested in attracting sufficient numbers of qualified and representative managers rather than fewer numbers who may have the specialized or elitist type background. One African country noted in the sessions and in its paper that since it was having great difficulty recruiting sufficient numbers of qualified staff at managerial levels to function effectively, the female segment of the population was seen as a major resource in filling its needs.

### **CONSTRUCTIVE USE OF POWER; CONFLICT RESOLUTION TECHNIQUES; AND MOBILITY**

The discussions also focused on a number of special problems, not otherwise emphasized at the sessions. The question of the degree and nature of employee participation in decision making was raised in many contexts. Unionism was considered to be a problem by some, but a major constructive force by others. For example, union representation on the board of directors of some of the enterprises and of private sector industrial organizations in one country, was seen as a significant factor in the success of that system. In such countries, the support of the unions is sought and positive steps are taken to consult with union officials on many policy matters before final decisions are made. Other country representatives reported that the participation of managers in unions has created serious dysfunctions. When this occurs, the upper middle managers become more attuned to a union position than that of the management because of their participation in, and commitment to, the union movement.

There was agreement that greater attention should be given by ministers and high level officials to participation in decision-making by the lower levels of management. The inflexibility of some public managers, and the need of their retraining, was also specifically identified as a problem. In a few countries, refresher courses have been established for top level managers which emphasize behavioral science developments and new developments in technology. These courses are designed to broaden the manager's perspective and increase the effectiveness of senior managers.

It was noted that some of the skills required by public managers, such as negotiation skills, need to be sharpened. But at the same time there must be an openness to the demands

of those with whom they are negotiating, both within and without their organization. Some managers, it was said, view participation of employees, clients, and the public in decision-making as dysfunctional while others believe it to be essential.

Mobility, particularly with respect to the portability of pensions, was identified as a factor that discourages movement between the private sector and the government. There was general agreement that the mobility of managers between departments and to and from outside government agencies, enterprises, and the private sector, could be beneficial and should be encouraged.

There was general recognition that conflict and its resolution is the essence of management. Conflict creates change. The constructive use of conflict produces positive results. When conflict is not used constructively, negative results that are destructive may occur. For change to have a lasting benefit, it should not be too precipitous. Change, other than that imposed because of an emergency or a temporary change, should be incremental.

To produce incremental and constructive change requires a sensitivity to the nature of power vis-a-vis authority. If public managers are to successfully perform their functions, no matter what the environment, be it a socialist country, a democracy, a developing country, or an industrial society, the nature and locus of power and its utilization in a managerial setting must be understood. Failure to understand power assures failure in the execution of managerial responsibilities in the public sector.

## Document 2

### Staff Training and Career Development in the United Nations System

[The Commonwealth Programme for Applied Studies in Government, set up in 1975, called together an expert group in June 1979 in Ottawa to upgrade public administration training and particularly to discuss the problems of selection and use of appropriate training methodologies.

[The report of this group meeting, published by the Commonwealth Secretariat, Marlborough House, London, contains the conclusions and recommendations of the group and a record of the views of individual members as expressed in the papers they prepared for the meeting.

[The paper we reproduce below was prepared by Dr. Norman A. Graham, Research Associate, U.N. Institute for Training and Research, New York.]

While staff training receives some emphasis in the organisations of the United Nations system, the programmes are limited and organised somewhat on an *ad hoc* basis. Training programmes vary extensively from organisation to organisation, and they are not generally tied-in effectively to other elements of personnel policy; they particularly are not operated in the context of a conception of career development. Indeed, there is no real career development system in operation at present.\* Career development is a subject to which the organisations within the United Nations system have been devoting an increased amount of attention, but in most cases—the World Bank, the International Labour Office (ILO) and the United Nations Development Programme (UNDP) are exceptions to some extent—progress so far has been limited.

This paper is a brief attempt to describe the peculiar situation of staff training in the United Nations system, as well as to provide some argument for the need to develop staff training programmes within the context of the other main elements of personnel policy—in an effort to create a real *career development system*. Along with this will be an effort to sketch training and personnel policy programmes which fit the specific needs and constraints of different organisational situations, i.e., *programmes must mesh with local conditions*. The widely varying organisations and agencies of the United Nations system will be used to illustrate the appropriateness of these different types of training and career development systems.

\*On this, see the author's report to the International Civil Service Commission (ICSC/R/112, 17 January 1978), a revised version is contained in *The International Civil Service: Changing Role and Concepts* edited by Norman A. Graham and Robert S. Jordan (New York: Pergamon Press, forthcoming). Parts of this paper are adapted from that report.

## ELEMENTS OF A CAREER DEVELOPMENT SYSTEM

A career development system has various dimensions, including mobility through grades and between occupational fields; adequate compensation and recognition for work well done; and psychological aspects relating to morale and job satisfaction. If we attempt to translate such dimensions into the policies and programmes of a career development system, we can treat them under five major elements:

1. Recruitment
2. Appointment policy
3. Career counselling/planning/management
4. Training
5. Promotion/mobility

Although these are rather broad categories, they are inter-related and each element needs to be considered in the formulation of a comprehensive career development system. Before discussing alternative career development programmes composed of these elements, we should attempt to specify the relevant factors in each element and note how they are related to a career development programme.

### *Recruitment*

A career development system begins with the recruitment programme of the organisation. Recruitment is a crucial consideration for at least three reasons.

First, a comprehensive career development system presumes some recruitment of young staff at the beginning levels. Certain functions obviously require extensive and high expertise, but the implementation of junior professional recruitment programmes followed by effective training and career management should be seen as an important ingredient of the system. Unfortunately, in the United Nations system, the application of this approach has been hindered in some cases by the allocation of posts at this level to senior staff (i.e., those approaching the end of their active careers with the system) promoted from the support and clerical staff category. While the importance of the latter strategy should not be minimised, the two policies should not be permitted to work against each other. Direct promotion to middle levels of the professional staff or perhaps the creation of a distinct category for promotions from clerical staff should be considered. The use of a competitive examination system may be required for appropriate placement in this regard.

Second and related to the first, career development programmes, indeed the whole concept of a career service, will not find much support from the governing body of an international organisation, unless progress is made on the geographical distribution problem, given the wishes and impact of member states and regions which are presently under-represented in the organisation's personnel. This situation has perhaps been over-emphasised as a problem area at times, but the issue raises many serious questions and places some urgency on recruitment efforts. Solving the problem may in fact require effective career development programmes which train and develop junior professionals, recruited probably on a regional basis in some cases, from under-represented member states. Serious progress in this regard could then be expected to affect the attitudes of those states with respect to future programmes and career appointments.

Third, in order to function effectively, career development programmes must be tied to the recruitment and manpower plans of the organisations. It is obviously quite desirable to be able to determine well in advance when and where positions will become vacant and which staff members or potential recruits might be trained or prepared for the positions. Career development personnel and recruitment personnel should work together closely, coordinating their programmes in relation to manpower needs.

One problem area which still deserves mention in relation to recruitment (and

promotion) is the continued existence of national pressure on personnel officials and the top administration of an organisation in favour of the hiring of specific individuals. Such pressure, if successful, can obviously work to the detriment of career development policies, as planned vacancies are suddenly filled for reasons other than a close match between candidate and post. Adherence to the recommendations of recruitment and promotion committees, composed in part by representatives from the staff, can help to insulate decision-makers from such pressure, but in addition, national governments should be required to submit more than one candidate for each post sought. The basic point here, is that the first step in the development of any effective career development system is to reduce the politicisation of the recruitment process.

#### *Appointment Policy*

Questions relating to the types and timing of appointments made for new staff are directly relevant to the establishment and operation of a career development system. A very important factor in the United Nations system is the balance between the proportions of career vs. fixed-term appointment (the latter most properly made for short-term usage of technical experts). This balance varies extensively from organisation to organisation and through time in individual organisations. It is clear that the need for both types of appointments will continue, and it is unlikely that an appropriate mix will ever be readily apparent or the subject of anything approaching universal agreement. While it is impossible to determine in advance the ideal balance for diverse organisations, there is a need to confront the question and actually *decide* on the appropriate course for the future of an organisation, rather than drifting into the path of least resistance.

This is not the place to re-evaluate the arguments on the relative merits of career and fixed-term appointments. However, in confronting the issue, the administrations of the highly technical organisations should not be too quick to reject the need for career appointments of highly specialised personnel. Indeed, as the following statement from the International Telecommunication Union indicates, there are important benefits to be realised:

...the I.T.U. legislators' position is the same as that of the Secretariat, namely that, at headquarters, where most, if not all tasks are of a permanent nature, most, if not all staff should be "career". This is held valid even though the I.T.U. is a highly technical organisation into which, some think fresh blood should be regularly injected. The justification for these injections is the rapidity of technical progress. Yet, I.T.U. engineers are the focal point for the reception, analysis, consolidation and circulation of information about all that is new in telecommunication techniques. They should therefore be better informed than anybody else. What they lack is experience of the actual operation of new systems, installations, etc. However, the discharge of their duties and responsibilities seldom requires this kind of experience. (In cases where this appears desirable, it is possible—and not very costly—to provide for periodic, brief stays in Administrations or firms where contact with the concrete aspects of operation or research is renewed). On the other hand, their experience as international officials (who must know the history of international agreements, regulations, etc., in order to be able to advise on their interpretation and further development), committee secretaries, rapporteurs, etc., takes a considerable amount of time to acquire and their periodic replacement would not be conducive to economies or improved efficiency.

In addition, for small, highly technical organisations, there are important financial benefits derived from the impact on recruitment requirements and on the need for legal staff (for contract disputes) associated with the granting of a large proportion of permanent contracts. In any event, while support for the maintenance of a career international civil service may be declining in some quarters, career staff should not be abandoned or greatly reduced without thoughtful consideration and long-range thinking.

Confronting this issue also involves coming to decisions as to which posts are best occupied by staff on fixed-term appointments and those for which career staff are more appropriate. This requires some study, and the effort to develop post and occupational classification schemes are relevant here.

Finally, a career development system must come to grips with the question of granting an extended series of fixed-term contracts to certain staff members. While some individuals are able to have productive and satisfying careers in such situations, the practice deserves reconsideration, particularly in light of problems relating to the psychological dimensions of security and morale. In international organisations, this includes the problem of the vulnerability of such staff to national government influence and to organisational budgetary cuts. In any event, new staff members should be well-apprised of the career prospects (or lack thereof) and of the implications of such appointments, both at the time that the offer of employment is made and at subsequent decision points during their service with the organisation. There should be a clear policy on the timing of appointments; if there is a decision that all appointments are initially made on a fixed-term, probationary basis, the point of decision on whether a career appointment will be made should be a matter of stated policy and uniform application. There should probably either be an absolute limit on the number of consecutive fixed-term contracts, above which a permanent contract would have to be given or a formal policy (though perhaps one applied with some flexibility) which indicates to the staff members that beyond a certain point there is no possibility of receiving a permanent contract. Uncertainty and anxiety in this regard must be removed as much as possible.

In a comprehensive career development system staff on an extended series of fixed-term appointments should receive compensation and benefits identical or at least quite similar to those of permanent staff. In order to reduce the possibility of exploitation of fixed-term staff, no short or long-term compensation disadvantage should accompany such appointments, and an organisation should not derive monetary benefit from making such appointments rather than career appointments.

#### *Career Counselling/Planning/Management*

An important requirement for a comprehensive career development system is an effective career counselling, planning and management programme. This would almost assuredly require an office or section of the personnel department devoted solely to career development. This office must maintain close cooperation with both the recruitment office and the training office or programme. The number of staff required would of course vary with the staff size of the organisation and the thoroughness of the programme, but any effort at career counselling itself, without primary reliance on departmental supervisors, might be burdensome on a small career development staff.

Career counselling is a crucial part of career development for several reasons. At the time of initial appointment or during the recruitment interview, a staff member should be apprised of his career prospects or lack thereof. He or she should be made aware of the constraints facing the future operation of the organisation, and if at all possible, probable or potential career patterns should be discussed.

Subsequent counselling should include guidance on relevant training programmes and opportunities. Indeed, an important follow-up to a staff evaluation/periodic report exercise is a session with career development staff to discuss the implications of the evaluation for career prospects and training needs. If performed at all, this function is commonly left up to the responsibility of the staff member's supervisor, a practice which can be quite satisfactory but which may leave to chance, the fulfilment of an important need, particularly given the time constraints commonly facing supervisors.

The staff evaluation/periodic report procedure has the potential for being an important ingredient in the management of career development. Several United Nations organisations have been experimenting with alternative evaluation forms and interview situations for

this process. (The current ILO procedures and forms may provide the best model for organisations to examine).

During the course of the evaluation process, staff members should be encouraged to state their short and long-term career goals. In discussing the revaluation of a staff member, supervisors should react to these statements, in light of the employee's performance, and should recommend appropriate training and career strategies. The career development staff should play a supportive role here and in any follow-up programme. However, it should be recognised that the management of such an effort involves considerable paper work and man hours. Processing the information gained through the evaluation process might be somewhat of a burden on the career development staff of even the largest organisation. A second caveat is that some care must be taken to ensure that staff members do not receive unrealistic expectations about their careers from discussions of career goal and prospects. Finally, the weaknesses of most staff evaluation systems should be kept in mind and reduced as far as possible. The reluctance of supervisors to give negative evaluations to staff with whom they must continue to interact is a common problem, and there may be a need, at times, for administrations to take steps to ensure that care is taken in recording evaluations and that adequate information is provided.

With the preceding points in mind, it seems increasingly clear that more attention should be paid to training supervisors for helping in the career development of their staff. Accountability is important in this regard, and the performance of supervisors should in part be judged by their activity in this area.

A related ingredient of a comprehensive career development system is the provision of means for actual career planning. Joint staff/administration career planning committees at the department level of an organisation are one important means to this end, particularly if their recommendations on training, task assignment, transfers, promotions, etc., have more than a hortatory value. Conflict with the authority of supervisors is a problem to be overcome, through strong direction from the central administration, and perhaps by requiring supervisors who do not accept committee recommendations to provide written explanations to career development officials and/or to their immediate supervisors in the organisation.

Career planning must be closely related to recruitment and manpower planning, taking into account forecasts of future vacancies at the upper levels. Career planning committees and/or career development staff can then seek to prepare and find staff for those vacancies. The creation of succession charts for individual departments, such as those currently being formulated by the career development staff to the ILO, is useful in this regard, in that potential successors for the projected vacancies can then be identified.

A final aspect of this element of a career development system is the use of modern data processing techniques as an aid to the management of career development. The codification of information from the personnel records of staff members can readily permit various types of studies on career patterns and personnel problems and can be used to aid in manpower planning/vacancy projection effort. The management of staff evaluation and counselling can also be aided by this effort. In addition, a data file containing information of the training, experience, skills and aptitudes of current staff members can be drawn upon when recruitment, placement and promotion officials require a list of all those potentially qualified for an impending vacancy. If uniform or complementary procedures and formats are utilised by several agencies, perhaps in conjunction with an effective job classification scheme, there is potential for the development of a system-wide skills inventory data bank to facilitate recruitment and inter-agency mobility.

#### *Training*

Obviously, staff training must play a crucial role in any career development system. Training should be seen as a continuing process, and in this connection the importance of on-the-job training provided by the supervisor should not be underestimated. The value

of this sustained guidance by supervisors does not, however, eliminate the need for attendance at courses and seminars designed to improve the individual's capacity to develop his potential in the interests of his organisation and his own career. Staff members should be encouraged to discuss with their supervisors the areas in which they consider that additional training would be beneficial to them. On the other side, supervisors and personnel staff should make every effort to see that staff are aware of all available training opportunities.

Several of the larger organisations of the United Nations system (*i.e.*, FAO, ILO, UNESCO, the UN Secretariat and WHO) have been able to maintain rather elaborate in-house training programmes. For example, the Training and Examinations Service of the UN Secretariat in New York offers a programme of more than 70 courses grouped under the following categories:

- (a) Introduction and orientation
- (b) Linguistic abilities
- (c) Management and supervision
  - Human aspects of management
  - Management systems and sciences
- (d) United Nations administration
- (e) Clerical and secretarial abilities
- (f) Special programmes
  - (e.g., a special management programme for senior administrators)
- (g) Competitive examinations
- (h) External studies programme

Cooperative training efforts among the Geneva-based organisations have also helped to provide a means for the smaller organisations to overcome their financial constraints in this regard. Table 1 presents data on the extent to which staff members from different organisations participate in these cooperative efforts.

Considerable training activity also takes place in the United Nations Institute for Training and Research (UNITAR). However, much of this effort is directed towards new delegates or staff from permanent missions to the United Nations. There are also various programmes and courses for other diplomats and civil servants mostly from developing countries.

Where possible, a programme should include training refresher courses or access to external study and research in the substantive work of the staff member and his department. Indeed, a comprehensive career development system should include provision for paid study leave and professional development outside of the organisation.

Other than to suggest that the courses in a training programme should fit together as much as possible into logical tracks or sets of modules, as opposed to spotty coverage of selected topics and problems, specific recommendations on the content and expansion of the courses must be left to another study. Rather, it is important here to stress the need for individual organisations to integrate the training opportunities available to their staff into their career development programmes. Some points in this connection have already been made in reference to the career counselling and staff evaluation discussions, but it should be noted that a complete career development system requires that staff members take advantage of and profit from the courses relevant to their career goals and prospects and that the end product of the effort is a tangible though perhaps not immediate career advancement. There is a need to avoid a situation of providing an extensive training programme but one with no clear-cut culmination point or no effort to translate successful completion into increased responsibility and career gains. It is essential that career development and training personnel work together closely with supervisors in the design and implementation of training programmes and in the effort to ensure that staff are made

TABLE 1 GENEVA-BASED INTER-AGENCY STAFF TRAINING ACTIVITIES  
1974-76\*

(All figures reflect the actual attendance at courses and seminars organised by the UN Office at Geneva).

	UN†	ILO	WHO	ITU	WMO	WIPO	CATT	UNESCO
<b>I. CAREER DEVELOPMENT TRAINING</b>								
(a) Management and Supervision	364	49	87	50		6	26	55
(b) Electronic Data Processing	97	7	1	10			5	
(c) Training in specialised and technical skills:								
Linguistic skills (drafting, special conversation, report writing)	396	12	55	23		8	9	
Technical skills (shorthand speed, statistical assistants, statistical clerks, editorial assistants, secretarial orientation)	625	4	18	11	14	11	16	
<b>2. STAFF LANGUAGE TRAINING</b>								
(a) Language	3257	225	42	385	211	166	230	
(b) Inter-agency language proficiency examinations	777	275	363	109	32	71	39	

\*In a number of cases individual agencies have organised additional programmes of their own.

†Includes UNICEF and ITC.

SOURCE: United Nations, Consultative Committee on Administrative Questions, *Staff Training in the United Nations System: Paper Prepared by the Sub-Committee on Staff Training*, CCAQ/PER/R. 22, 28 NOMVER 1977.

aware of the opportunities available and of the benefits to be realised from them. Extensive centralised advertisement and information activity is essential to success here.

#### Promotion/Mobility

A career development system is obviously pointless if it does not include advancement through promotion and mobility opportunities. As alluded to above, erroneous expectations about career prospects can be quite harmful to morale and efficiency and should be avoided. There must be openings into which young staff can eventually move if there is to be real career development.

Providing upper level openings for the promotion of young staff is a problem for all of the organisations of the United Nations system, particularly given the economic constraints facing most of them, and it borders on a crisis in those organisations recently experiencing the needs for staff restrictions and cut backs. Unfortunately, this is complicated by the tendency of many organisations to recruit mostly at the middle levels and above.

However, career development also entails mobility between occupational fields and between organisations, and a comprehensive career development system should seek to encourage this activity. Efforts to facilitate such mobility should include wide circulation of vacancy announcements within and between the organisations, the development of a uniform post-classification scheme, the reduction of departmental supervisor control over transfers in and out of the department, and the insurance of adequate compensation for staff transferring to new duty stations. Such transfers must not be unattractive financially, but compensation involves more than adequate financial arrangements. Even if a transfer is not a hardship financially, it can still be detrimental in terms of the opportunities available. This is particularly the case if the career advancement accompanying a short-term transfer to another organisation is not recognised when the staff member seeks to return to the original organisation.

There may be some staff resentment to transfers or outsiders occupying vacancies and opportunities that they had sought, and departmental supervisors (and to some extent personnel officials) have fear that other organisations or departments are seeking to unload inferior staff. If two or three candidates are proposed for each vacancy by the releasing organisation, the latter problem should be minimised, but a central placement service is the best answer in the longer term. Staff resentment would presumably be reduced if announcements of vacancies were first circulated internally before they were circulated to the entire system.

If mobility and multiple duty station experience is to be made a requirement of employment or career progression, this fact should be made clear to the staff member at the time of initial appointment. Assuming financial compensation is satisfactory, it should be possible to offer a staff member two or three choices for new duty stations with the expectation that one must be accepted.

Mobility may also include the possibility of transference, perhaps on an alternating basis, of a staff member between an international organisation and his or her national government. In cases where a logical career progression is not possible through service in an international organisation, subsequent service in the national government could provide some benefit to all concerned.

A final consideration under this element is the need to seek to prevent a career development programme from being distorted or hindered by the pressure that some national governments may put on promotion bodies and machinery in favour of their own nationals. Uniform reliance by the executive of the organisation on the recommendations of promotion committees composed of both staff and supervisory personnel can reduce this impact greatly.

#### ALTERNATIVE CAREER DEVELOPMENT PROGRAMMES

A crucial point, with respect to the United Nations system is that career development has been and is likely to continue to be hindered by the variety of political, economic and organisational constraints affecting the policies and programmes of each organisation. Financial and staff size constraints seem to be the most common detractors facing the smaller organisations, whereas most of the organisations see themselves as somewhat constrained by the wishes and priorities of their governing bodies. Many of the organisations see their own situation and the degree to which their functions are *specialised* or *technical* both as unique and as important constraints on career development. The foregoing may

suggest that such conclusions should be reached with caution and after a thorough investigation of what is indeed possible.

One must keep in mind in all of this that organisational administrators and personnel staff are working under rather difficult circumstances in an uncertain area. However, it is an important area which deserves their continued attention.

Having discussed the major elements of a comprehensive career development system, we now need to consider them in terms of realistic view of the needs and constraints of various organisations. There is need for flexibility and adaptability. Accordingly, we will examine three alternative programmes or tracks. Each track has special relevance to a class or type of relatively similar organisations, and in numerical order the tracks increase in sophistication and ambitiousness (with Track III beginning to approach a comprehensive career development system).

Evidence suggests that desirable working conditions and adequate monetary compensation are not sufficient to maintain high staff morale and to ensure motivation. In large measure, these qualities are highly related to the question of job-satisfaction, career progression and a staff member's own appraisal of the importance of his or her work or contribution. While an adequate career development programme is not the whole answer to these problems, it can make an important contribution, and continued dissatisfaction with career questions and prospects can only have a negative impact on morale and motivation.

Turning to the three career development programmes, it should be noted that Track I (a minimal career development programme) presents what appears to be the minimum amount that nearly every organisation should be able to achieve. At the same time, it appears that some of the smaller, more technical organisations could only go much beyond this level of programme with great difficulty.

Without doubt, none of the three alternatives offers the perfect means of satisfying the needs of all organisations. Indeed, some other combination of the various elements may be more appropriate. However, it is hoped that this exercise will have at least illustrative value. In this effort, one cannot only look at career development from a staff benefit point of view. The goals and requirements of the organisation in question must be brought into the equation. In this sense, there may be a need for future studies on the nature of organisational and national government interests and especially on the extent to which these interests can be matched with the career interests of staff members.

#### *Track I : A Minimal Career Development Programme*

The first track is a limited approach most appropriate for the capabilities and needs of the small, highly specialised technical organisations (for example in the United Nations system: GATT, ICAO, IMCO, ITU, WIPO and UPU). It might also be regarded (except perhaps for the career appointment provisions) as the bare minimum level that nearly all of the organisations should be able to attain. Taken into account here are important budgetary constraints, in part relating to the small size of the organisation (impeding elaborate programmes), but there is some commitment to the need for career staff.

#### *Programme Elements*

1. *Recruitment*: A limited programme, relying somewhat on *ad hoc* recruitment with some effort at planning for future manpower needs.
2. *Appointment Policy*: Commitment to a large career staff 65 per cent or more on career appointments (35 per cent or less on fixed-term appointments).
3. *Career Counselling Planning and Management*: Limited programmes and staff here due to financial constraints, but have at least one professional staff member in charge of career development. Initial career counselling efforts (at time of appointment). Extensive effort to advertise training opportunities, urging staff to attend courses. Use of staff evaluation form permitting a staff/supervisor dialogue on career aspects.

4. *Training:* Little in-house training capacity, except for language courses, but extensive reliance, where possible, on inter-agency cooperative programmes. Commitment to the view that training activity makes an important contribution to the welfare of the staff in itself and to the efficiency of the organisation and that this should not be allowed to be jeopardised by the possible non-implementation or failure of a comprehensive career development programme.

5. *Promotion/Mobility Opportunities:* Limited opportunities for substantive staff owing in part to size of organisation. Effort to encourage inter-agency mobility for administrative, personnel and financial staff.

#### *Track II: A Staff Development Programme with Some Provisions for Career Development*

The somewhat more ambitious approach of the second track takes off where the first track leaves off and is most appropriate for the capabilities and needs of the larger but still rather technical organisation (e.g., FAO, IAEA, UNESCO and WHO). While budgetary situations do serve as a constraint, such organisations are able to maintain some relevant programmes. However, they are faced with problems in maintaining a large career staff. These organisations are in a very uncertain situation in terms of the future needs and directions of their substantive programmes (due in part to their focus on economic and social development problems), and there is a requirement for extensive contingency planning and studies on recruitment and the needs of the organisation.

#### *Programme Elements*

All programmes of Track I (except the appointment policy) plus:

1. *Recruitment:* Strong effort and research to determine recruitment and manpower needs and nature of candidates available. Conduct an aggressive recruitment campaign in under-represented member states or areas, perhaps in cooperation with other agencies. Recruit less at beginning levels than organisations of Track III, but there is a need to recruit some at least for career service in administrative, personnel, and financial posts, etc. Examine the possibility of an alternative career pattern which involves recruitment from national government or universities for service in the organisation to gain relevant expertise and then to return to the national government. Experimentation with new arrangement with under-represented governments for careers of alternating service with the organisation and the government.

2. *Appointment Policy:* Need to rely on relatively large percentage of fixed-term appointments due to uncertainty about future needs, given role in meeting development needs of developing countries. Thirtyfive per cent or more on career appointments (65% or less on fixed-term appointments). Engage in post classification effort and study in order to determine posts actually requiring fixed-term personnel. Determine future needs in this regard. Limit on number of consecutive fixed-term contracts permitted.

3. *Career Counselling Planning and Management:* Staff development office with several professional staff members whose primary functions relate to staff development.

4. *Training:* Staff development training programme largely in areas of expertise. Focus not so much on preparation for future career in the organisation, but rather in adding to the experience gained through service in the organisation for future service in national government or the private sector. Emphasis on acquisition of further technical skills and awareness of the operation of the organisation.

5. *Promotion/Mobility Opportunities:* Limited programme except for career personnel hired in non-substantive areas.

#### *Track III : Towards a Comprehensive Career Development System*

Track III is an approach which more nearly approximates a comprehensive career development system and which is more appropriate to the large, more diversified organisations (e.g., the ILO, UNDP and the UN Secretariat). As with Track II, the budgetary situations

of the organisations here are less of a constraint than is true for Track I, but as in the latter, there is more commitment to the need for career staff.

*Programme Elements*

All programmes of Track II (except the appointment policy) plus:

1. *Recruitment*: Conduct an aggressive junior professional recruitment programme with considerable emphasis on addressing the problem of geographical distribution by focusing this recruitment in under-represented member states. Develop and utilise a medium to long-term recruitment plan.

2. *Appointment Policy*: Sixtyfive per cent or more on career appointments (35 percent or less on fixed-term appointments). These organisations require less short-term experts, and in part since they are somewhat more subject to political pressure and influence, they require a large percentage of career appointments.

3. *Career Counselling Planning and Management*: Maintenance of a career development office with several professional staff members whose sole functions relate to career development. Close coordination and working relationship with recruitment and training offices. Implementation of an extensive career planning effort, including follow-up on staff evaluation reports. Manpower and vacancy projection effort. Career counselling programme, including recommendations on training, by staff of the career development office. Opportunities for staff to participate in career planning by stating interests and objectives.

4. *Training*: Extensive in-house training programme or contribution to and reliance upon inter-agency cooperative programmes. Paid study leave for professional development, external study and research. Effort to follow-up on training taken, suggesting future courses and recommending increased responsibility or career advancement. Orderly progression in courses, relevant to stage of career and demands of job (required managerial skills, etc.)

5. *Promotion/Mobility Opportunities*: Authority of an organ responsible to the executive head for career development (versus departmental supervisors) with respect to transfers in and out of the departments. Programme for wide advertisement and circulation of vacancy announcements within the organisation and to other organisations of the UN system.

#### CONCLUSION

It is hoped that discussing the elements of a career development system may have a broader relevance than just to the United Nations system. The effort would seem to have relevance to training in regional international organisations and ministries at the national level, if only to stress the need for considering training within the context of the other aspects of personnel policy in public organisation. The exercise of proposing alternative systems or tracks stresses the need for tying training programmes closely to the needs, constraints and local conditions of the organisations concerned. Training should be purposive; programmes should have clearly defined goals. They should conform to the needs and constraints of particular organisations, but the needs and career goals of staff members cannot be ignored if morale is to be maintained and individual drive encouraged.

